Class B

App. F. IX—4

Previous References.

1957.
(SEB)

File No. PWD 8 SEB 57

Serial Nos.

PWD - Electrical.

P 98
C

Later References.

PWD 24 SEB 58

MYSORE GOVERNMENT SECRETARIAT

Serial Nos.

Part B for

SUBJECT

Dissolution of the Bombay Electricity Board

E

20-3-58
20-10-58

WD 03758—GPB—50,000—10-10-58.

Issued in PWD 8 SEB 57 dated 20th October 1958

The Secretary to Govt of Bombay
Industries and Co-operation Dept
Old Secretariat Building.
Bombay 1

...T ...

...I HARI SHARMA
...OINT SECRETARY
...INISTRY OF HOME AFFAIRS
...W DELHI

(2) SHRI BAHL
JOINT SECRETARY
MINISTRY OF IRRIGATION & POWER
NEW DELHI

...DISCUSSION HELD AT BOMBAY BETWEEN TO REPRESENTATIVES OF ...BOUT ALLOCATION OF ASSETS AND LIABILITIES OF BOMBAY ...ECONOMY BOARD (.) SETTLED THAT BOMBAY AND MYSORE GETTING ... MAHARASHTRA MAY ... PERIL (.) CENTRAL CONSULTA... ... ACCEPTED AND UNDER CONSIDERATION (.) REPORT MONITO... ... OF INDIA CAN ... DISSOLVING ASSEMBLY EARLY IN ... ... APRIL

...PUBLIC NOTICE ...

(...T AS SET FORTH)

Bangalore,
25th March, 1957.

(Sd.)

(D.K.SRINIVASACHAR),
Secretary to Govt. of ...
P.W.D. & Electrical D...

Post copy in confirmation is forwarded to:-

1) Shri Hari Sharma,
Joint Secretary to the Govt. of India,
Ministry of Home Affairs,
NEW DELHI.

2) Shri Bahl, I.C.S.,
Joint Secretary to the Govt. of India,
Ministry of Irrigation & Power,
NEW DELHI.

(Sd.)

(D.K.SRINIVASACHAR),
Secretary to Govt. of ...
P.W.D. & Electrical D...

Copy to:-

Shri Kapadia, I.C.S.,
Secretary to Government,
Industries Dept., BOMBAY.

Issued
25/3

(D.K.SRINIVASACHAR),

Allocation of assets and liabilities of the Bombay Electricity Board

Discussions took place at Bombay on the 15th, 17th and 18th February 1957 between the representatives of Mysore and those of Bombay on the question of the division of assets and liabilities of the existing Bombay Electricity Board between the Government of Mysore and the residuary Board of Bombay. The full minutes of the proceedings of the meetings received from the Government of Bombay are placed below for perusal. Comments are furnished where necessary, giving the reasons for the circumstances in which certain conclusions were reached.

A statement containing essential information about the electrical installations in the Mysore area of the Bombay Electricity Board is also attached for reference.

I. Date of transfer of assets and liabilities

It had been agreed earlier between Bombay and Mysore Governments that the transfer may take place on 1st March 1957. As a result of the discussions held and in view of the opinion expressed by the representatives of Madhya Pradesh who also attended the Inter-State conference, it was decided that the date of dissolution of the Bombay Board may be fixed as 31st March 1957. This would enable annual accounts to be made up completely for the Bombay Electricity Board and would enable the agencies taking over assets and liabilities to start operations with the new financial year.

II. A s s e t s

(a) Fixed Assets - No comments.

(b) Stores:- With regard to tools, equipment, etc., which are meant for use in headquarters or elsewhere, it was agreed that necessary financial adjustments may be made. It was understood that only a station wagon and some furniture at the Electricity Board office at Bombay would come under this category.

Contd.

(c) Investments and cash balances

The general conclusion is in accordance with the principles usually adopted in such cases. The latter portion of the minutes was however, ~~was~~ inserted for this reason, namely, that the exact amount of cash balance cannot be computed ~~k~~ on or by the date of transfer and in the meantime, the Mysore Government or the Mysore Electricity Board, if one is to be formed by 1-4-1957, may find it difficult to - carry on operations in the Bombay area except after nece ssary financial appropriations. There is a balance of unutilised loan amounting to about Rs.1.21 lakhs and a depreciation fund balance of about Rs.13 lakhs. What is implied in the latter part of the minutes under the ~~head~~ item is that the Bombay Electricity Board will, on - 1-4-1957, transfer at least the ~~average~~ aggregate of the above-mentioned two amounts, subject to financial adjustment later on.

(d) and (e) - No comments.

II. Liabilities.

(a) Loans.-

(i) Loans on account of capital works:- The Bombay Electricity Board was constituted with effect from 6th November 1954. Under the Electricity Supply Act of 1948, the capital value of the assets transferr from the Government to the Board should be treated as a loan given by the Government to the Board, carrying - interest at an agreed rate. It was ascertained that while the amount of capital transferred is known, the total sum which is treated as liability including - interest on capital during construction and interest, if any, on capital during maintenance up to the date of formation of the Board, has not yet been declared

Contd.

by the Bombay Government. It is also ascertained that this amount will be declared very shortly.

(ii) No comments.

(iii) Interest on capital during operation and maintenance and other interest liability, if any, accrued prior to the formation of the Bombay Board will not be the liability of the Mysore State if the formula proposed under (iv) is accepted. Otherwise, the decision under this head has to stand.

(iv) Revenue deficit after providing for interest on capital and for depreciation.

It is seen from the annual financial statement for 1957-58 prepared by the Bombay Electricity Board that the following losses have been incurred during the years 1954-55 (for the period 6-11-1954 to 31-3-1955), 1955-56 and 1956-57 (estimated).

Year.	Amount of revenue deficit	Mysore (according to schemes)	Balance.
1954-55 (6-11-54 to 31-3-55)	9,72,879	3,78,374	5,94,505
1955-56	16,66,545	13,80,203	2,86,342
1956-57	+ 7,08,063	+12,40,916	-5,32,853

If the revenue deficit is allotted schemewise, Mysore will have to take over a revenue deficit of Rs.29,99,493, whereas if the total revenue deficit is allocated in the proportion of the capital assets between Mysore and the rest of the Board, that is to say, roughly in the proportion of 1:5, Mysore's share of the revenue deficit will be Rs.5.58 lakhs (approximately). The Mysore representatives pointed out

that Mysore could be asked to take over only this portion of the revenue deficit. The representatives of the Government of Bombay disputed this position and stated that since the accounts were prepared schemewise all along and the losses had been incurred specifically on these schemes, it would not be equitable to ask Bombay Electricity Board to share the losses. They further pointed out that a liability of about Rs.81 lakhs would go over to the Bombay Electricity Board as the revenue deficit for the period prior to 6-11-1954 when the Government of Bombay declared the amount of loan inclusive of the amount of interest during operation and maintenance stage and that if the principle put forward by Mysore were to be accepted, Mysore would have to take over about 1/6 of this liability also, which would come to about Rs.13.5 lakhs. The Mysore share of the revenue deficit for the entire period (including the pre-Board period) would thus be about Rs.19.08 lakhs. The Chairman of the Bombay Electricity Board and the Secretary to the Government of Bombay, Industries Department, both suggested that a compromise solution might be thought of. It was stated in the circumstances by the Mysore representatives that the formula suggested by Bombay (stated in the minutes) would be placed before the Government of Mysore for consideration. Information is also available to the effect that in regard to one particular installation in Mysore area, namely, the Hubli Power House, there has been a surplus to the extent of Rs.2 to 3 lakhs. If this is taken account of, the actual revenue deficit pertaining to the schemes in the Mysore area would be about Rs.23 lakhs. The Board representatives also made the statement that although the estimated revenue deficit for 1956-57 for the Mysore

Contd.

area is Rs.12.4 lakhs, the actual deficit is likely to be much less in view of the profitable working of some of the units during the year since the estimate was prepared. They estimated that the net revenue deficit in the Mysore area calculated schemewise might be of the order of Rs.25 lakhs only. According to the compromise formula, Mysore would have to take over a revenue deficit of Rs.15.25 lakhs as against about Rs.19 lakhs which may come to its share if both the pre-Board and the post-Board revenue deficits are allocated according to the proportion of capital assets taken over.

(b), (c) and (d) - No comments.

III. Personnel.

A list of officers and officials proposed to be allocated to Mysore was handed over on the 18th by the representatives of the Government of Bombay and has been passed on to the Chief Engineer, Electricity, Mysore, for examination and report. It is seen therefrom that only officers of the rank of Deputy Executive Engineers and below are being allocated and generally the number of people allocated is smaller than the number of posts transferred. This is because the Bombay Electricity Board wants to have as large a share of the personnel as possible in view of its needs and also because the Chief Engineer, Electricity, Mysore, felt that the vacant posts could be filled up by available personnel in Mysore State without prejudice to

Details regarding the schemes that are in operation in the Mysore area of the Bombay Electricity Board.

	Jog - Karnatak Scheme	Hukeri Power House	Guledgud Power House	Ilkal Power House	Bailhongal Power House
1. Capital expenditure to end of 56-57	87,61,326	5,74,991	7,20,751	5,48,610	4,07,469
2. Total income	14,25,000	1,49,500	1,17,400	53,000	20,000
3. Working Expenses	5,98,480	1,19,444	1,16,894	60,904	30,302
4. Net revenue	+ 8,26,520	+ 30,056	+ 506	- 7,904	- 10,302
5. Interest charges	11,42,128	85,425	62,830	58,965	32,117
6. Depreciation	5,37,370	69,802	42,912	42,597	5,646
7. Net surplus (+) or deficit (-)	-8,52,978	-1,25,171	-1,05,236	-1,09,466	- 48,065
8. Capacity of the system in K.W.	11,500	400	400	200	150
9. Areas served	North Kanara & Dharwar Districts	Hukeri Sankeshwar Chikodi Gokak Konnur	Guledgud Kamatgi Amingad Sulebhavi Gudur Bagalkot	Ilkal Hungud	Bailhongal

Besides these five schemes in operation, there is another diesel scheme, namely, the power house at Gajendragad, which is under erection. A capital expenditure of Rs.2,32,700/- has so far been incurred on this scheme.

efficiency.

The above conclusions reached at the Inter-State conference are for ratification by Government. Before the question of ratification is taken up, the Finance Department may kindly furnish its views on the proposals made in regard to the allocation of assets and liabilities. Copies of the Administration report and the Annual - Financial statement of the Bombay Electricity Board are placed below for reference.

Finance Dept.)

Sd. D.K. Srinivasachar
Pro Secretary
1.3.57

Funds allotted for Second Five Year Plan Projects commencing from 1st April 1957.

The allotment of funds for the Second Five Year Plan Projects, amounts to be utilised in 1956/57 and balance of allotment to be transferred to Mysore State as on 1st April 1957 will be as follows:-

	Total	Lakhs Mysore.	Board
	Rs.	Rs.	Rs.
Total allotment. ...	1,195.00	60.00	1,135.00
Less to be used in 1956/57	322.64	39.50	283.14
Balance remaining for 1957/58 and future years ...	872.36	20.50	851.86
To be used as per Budget Estimates of 1957/58...	275.00	13.13	261.87
Balance remaining for future years. ...	597.36	7.37	589.99

vbk/11.

Minutes of the meetings of the representatives of the Governments of India, Bombay, Madhya Pradesh, Mysore and Rajasthan held at Bombay on the 17th and 18th February 1957 to discuss the reconstitution of and principles for the division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

(List of officers present attached)

1. In the general preliminary discussion Shri Hari Sharma stated that the Government of India would welcome the settle--ment of outstanding items on an agreed basis. It was agreed that the views expressed by the representatives of the several Governments and the conclusions reached were subject to the approval of their respective Governments. After the general discussion, the consideration of the principles for the division of assets and liabilities of the Bombay Electri--city Board and the Madhya Pradesh Electricity Board as embodied in the notes prepared after the preliminary discus--sions among the representatives of the Governments of Bombay, Mysore, Madhya Pradesh and Rajasthan and of the Bombay Elec--tricity Board and the Madhya Pradesh Electricity Board was taken up.

2. BOMBAY ELECTRICITY BOARD

I - ASSETS

(a) Fixed Assets : It was agreed that fixed assets such as lands and buildings, installed machi--nery, transmission lines, etc., will be divided on the principle of "as is where is" on the date of the dissolution of the Board.

(b) Stores and movables: -

(i) It was agreed that stores and accesso--ries will go with the schemes to which they pertain. There are no Central stores, except some steel for fabrication. This quantity of steel may be divided according to schemes for which it was indented.

(ii) It was agreed that tools, equipment, vehicles and all other movables will go according to their situation.

2...(c).....

(c) Investments and cash balances :

It was agreed that the cash balances held by the Board in any bank, treasury or sub--treasury in Bombay-Karnatak area immediately before its dissolution shall pass to the Govern--ment of Mysore together with a suitable payment on an approximate ad hoc basis in anticipation of the financial adjustment under para. (d).

(d) Financial adjustment:

It was agreed that the above allocation shall be subject to a financial adjustment so as to cover the gap between the total of capi--tal and liabilities on the one hand and total of assets and losses on the other.

(e) Advances :

It was agreed that these will be appor--tioned on the basis of actuals for the res--pective areas.

- LIABILITIES:-

(a) Loans :

It was agreed that these will be divided on the following basis :-

(i) Loans on account of capital works, in--cluding the loans as on 6th November 1954 declared by the Government of Bombay will be allocated on the basis of the capital assets of the schemes transferred to each region.

(ii) Interest during construction will be transferred in relation to capital assets on the basis of actuals.

(iii) Other arrears of interest, if any, payable to Government will be split up as between the period prior to the formation of the Boerd and the period subsequent to it.

(a)..(iii)..Interest....

Interest accrued for the period upto the formation of the Board will be included in the loan to be declared by Government and will be divided on the basis of the capi-tal assets of the schemes. Interest accrued after the formation of the Board will be calculated schemewise and trans-ferred accordingly.

Under item (i) the loans declared at the time of formation of the Board would be divided according to the portion attri-butable to each scheme and the loans received thereafter and utilised would be divided according to the capital assets of the schemes for which they were used.

(iv) Revenue deficit after providing for interest on capital and for depreciation:

The representatives of the Bombay Government suggested that these should be apportioned schemewise in the same manner as interest accrued after the formation of the Board. The Mysore representatives made the suggestion that the revenue defi-cit upto the dissolution of the Board should be allocated in proportion to the capital expenditure in the two areas, i.e. in proportion to the capital liabilities. After further discussion, it was suggested that while the revenue deficits upto the 6th November 1954 may be allocated entirely to the Bombay State Electricity Board the deficits arising subsequent to that date may be divided on an ad hoc basis, the share of each party being the average of the following two amounts,

(a)...(iv),,,,namely.....

namely:-

(i) the pro rata share of the total net deficit calculated in proportion to the capital assets allocated to that party, and

(ii) the aggregate amount of the net de-ficits pertaining to the schemes going to that party after allowing for the surpluses, if any.

It was agreed that this basis of alloca-tion of the revenue deficits may be recommended to the respective Governments.

Note:-

The representatives of the two State Governments of Bombay and Mysore had agreed at the preliminary discussions between them that the balance of the loan drawn during the year 1956-57 and not utilised may be divided according to the unutilised part of the budget provision for the schemes in the two areas. After further discussion it was agreed that the un-utilised part of the loans drawn by the Board should be divided in proportion to the uncovered portion of expenditure sanctioned for the period upto the 31st of March 1957 in respect of the schemes for the purpose of which the loans were advanced to the Board.

(b) Depreciation and current liabilities including deposits:-

It was agreed that these will be trans-ferred along with capital assets on the basis of actuals.

(c) Provident Fund :

It was agreed that the provident fund accounts will be transferred in respect of the members of the staff transferred along with the proportionate share of investments in this behalf.

(c)... On an.....

On an enquiry by the representatives of the Government of Mysore, the representative of the Government of Bombay confirmed that there was no general reserve or pension fund with the Bombay Electricity Board.

(d) Contract liabilities:

It was agreed that contract liabilities will follow the schemes in respect of which contracts were entered into. In the case of common contracts liabilities will initially be of the Bombay Electricity Board but if stores are required by the Mysore Government for their schemes, they will be transferred to that Government in relation to the quantities indented for their schemes, on payment by a separate transaction. Financial adjustment on account of stores delivered under common contracts but not paid for will be made on the basis that stores supplied for the purposes of schemes in Mysore areas, will be paid for by the Government of Mysore.

III- PERSONNEL

It was agreed that localised staff will go where it is along with the schemes. Allocation of common personnel may be such as may be agreed upon between the Board and the Government of Mysore.

IV- RAJASTHAN :

There are no schemes or undertakings of the Board in Abu Road Taluka transferred to Rajasthan. There are only two licensees. The question of division of assets and liabilities between the Bombay Electricity Board and Rajasthan does not, therefore, arise. No allocation has been made in the Second Five Year Plan for Abu Road Taluka.

MADHYA PRADESH ELECTRICITY BOARD.

I. ASSETS.

(A) Fixed Assets :-

It was agreed that fixed assets such as lands, buildings, installed machinery, trans--mission lines, etc. will be divided on the principle of "as is where is" on the date of the dissolution of the Board.

(B) Stores :-

(a) It was agreed that stores and accessories other than stores held at the headquarters of the Board and the common stores at Kamptee and in Hoshangabad Civil Division will go with the schemes to which they pertain.

(b) (i) It was agreed that stores including tools, equipment, vehicles and other movables held by the Board at Nagpur as on the 31st January 1957 should be shared half and half except that arti--cles of furniture may be taken by the Bombay State Electricity Board accord--ing to its requirements subject to the ceiling of 50 per cent.

(ii) The representatives of Bombay and Madhya Pradesh had not been able to agree on the allocation of the testing division at Nagpur at the preliminary discussions held between them, but after discussion it was agreed firstly that where the articles were in dupli--cate they would be divided and secondly that the remaining items should be allocated to Madhya Pradesh subject to the following conditions, namely:-

(1) The Bombay State Electricity Board

should be given testing and other facilities in the testing division on suitable terms as regards sharing the expenditure.

(2) The equipment of the testing division should not be shifted to a place outside Nagpur except for immediate use when required, after which it should be brought back to Nagpur.

(3) The Madhya Pradesh Electricity Board should, as early as possible, make alternative arrangements in the new Madhya Pradesh area for the testing and other facilities at present provided by the testing division at Nagpur, and on such alternative arrangements being made, the Madhya Pradesh Electricity Board should transfer the equipment of the testing division at Nagpur to the Bombay State Electricity Board on payment of the depreciated book value thereof.

(iii) There was no agreement at the preliminary discussions between the two State Governments in regard to allocation of the vehicle known as "Diamond T" with drill and trailer. But after further discussion it was agreed that it should be allocated to the Bombay area subject to the condition that it should be available to the Madhya Pradesh Electricity Board for use on suitable terms as regards sharing the expenditure thereon, till such time as the Madhya Pradesh Electricity Board was able to make its own arrangements.

(iv)....

(iv) In regard to common stores at Kamptee and Hoshangabad, it was agreed that stores which were purchased for, or having regard to their manufacture, were useful only for the plant in one area, should pass to that area. The remaining stores as on the 31st January 1957 should be shared half and half provided that out of Bombay's share of steel a portion up to one half shall be loaned to the Madhya Pradesh Electricity Board to meet its immediate requirements and shall be returned by it to the Bombay State Electricity Board as early as possible.

The distribution of spares in the common stores may be discussed further by the Chief Engineers.

(C) Cash Balances and un-earmarked investments:

(i) It was agreed that earmarked investments should go according to the division of funds.

(ii) It was agreed that except for imprests with the Board's central offices at Nagpur, other imprests should pass to the area in which they were held. The imprests with the Board's central offices at Nagpur and the cash balances and the balances in banks should pass to the Madhya Pradesh Electri--city Board subject to a provisional lump sum payment to the Bombay State Electricity Board.

(D)

The representatives of Bombay stated that it appeared that the Madhya Pradesh Electricity Board had also a general reserve which had not figured in the preliminary discussions between the representatives of Bombay and Madhya Pradesh

(D)...suggested.

They suggested that the general reserve might be apportioned in the same manner as cash balances and investments. The suggestion was, however, not acceptable to the representatives of Madhya Pradesh. After some discussion, it was agreed that the general reserve should be divided by apportioning the contribution made during each year on the basis of the capital assets of the two areas on which the contribu-tion was payable.

(E) Financial Adjustment :-

It was agreed that the above allocation of investments and cash balances should be subject to a financial adjustment so as to cover the gap between the total of capital and liabilities on the one hand and the total of assets and loss on the other, after all the allocations have been finalised.

(F) Advances :-

It was agreed that these should be appor-tioned according to the works and contracts to which they pertain.

II. LIABILITIES.

(A) Loans:

It was agreed that these will be divided on the following basis :-

(i) Loans on account of capital works includin the loans declared by the Government of Madhya Pradesh on the formation of the Boa will be allocated on the basis of capital assets of the schemes transferred to each region.

(ii) Interest during construction will be transferred in relation to capital assets on the basis of actuals.

(A)....(iii)..

18)

(iii) Expanded Loans.

In the notes circulated at the meeting the arrears of interest (other than that during construction) upto the formation of the Board and that for the subsequent period were separately dealt with. It was stated by the Madhya Pradesh representa--tives that this was not necessary. It was agreed that the arrears of interest (other than that during construction), sholuding the interest accrued upto the formation of the Board as well as that payable for the subsequent period, should be allocated according to the loans on which the interest had accrued.

(iv) Revenue deficit after providing for interest on capital and for depreciation.

The representatives of Bombay and Madhya Pradesh were unable to reach an agreement on the apportionment of lossess of the Madhya Pradesh Electricity Board at the preliminary discussions between them. But after further discussions it was agreed that the lossess should be shared according to the recommendations made at its meeting held on the 12th January 1957 at Nagpur by the committee set up by the Government of Bombay for the integration of Bombay, Saurashtra and Madhya Pradesh Electricity Boards. The recommendation made by that committee was that the total general losses of the Board as calculated upto the date of its dissolution, should be shered in proportion to the net capital expenditure incurred on assets going to the respec--tive areas.

Note...

Note: It was agreed that the unutilised part of the loans drawn by the Board should be divided in proportion to the uncovered portion of expenditure sanctioned for the period upto the 31st March 1957 in respect of the schemes for the purpose of which the loans were advanced to the Board.

(B) Depreciation and current liabilities including deposits.

It was agreed that these will be trans--ferred along with the capital assets to which they pertain.

(C) Pension Fund :

It was agreed that pension fund should be shared in proportion to the emoluments for the month of March 1957 drawn by the pensionable personnel actually allocated to the two areas.

(D) Provident Fund :-

It was agreed that provident fund accounts should be transferred in respect of the members of the staff transferred along with the corres--ponding share of investments in this behalf.

(E) Contract Liabilities.

It was agreed that contract liabilities will follow the schemes in respect of which contracts were entered. In the case of common contracts, liabilities will initially be of Madhya Pradesh Electricity Board, but if stores were required by the Bombay State Electricity Board for its schemes they would be transferred to that Board in relation to the quantities indented for its schemes on payment by a separate transaction. Financial adjustment on account of stores delivered under common contracts but not paid for will be made on the basis that stores supplied for the purposes of schemes in Vidarbha area will be paid by the Bombay State Electricity Board.

III- PERSONNEL:

It was agreed that

(i) localised non-gazetted posts and personnel should ordinarily stay where they are, but some exchanges may be made if necessary.

(ii) localised gazetted posts should go to the area where they are. Allocation of gazetted personnel should be considered by a Committee of representatives of the two Governments bearing in mind the needs for maintenance and other immediate needs of schemes in hand.

(iii) Common non-gazetted posts and personnel should be allocated half and half or such higher percentage thereof may be allocated to the Madhya Pradesh Electricity Board as they might desire.

(iv) common gazetted personnel should be allo-cated by the Committee as under (ii).

It was also agreed that the allocation of personnel should be decided by a committee of representatives of the two Governments. Shri J. D. Kapadia, I.C.S., Secretary, Industries and Co-operation Department, Government of Bombay and Shri Chatterji, Commerce, Industries and Electricity, Secretary, Government of Madhya Pradesh, agreed to represent the Govern-ments of Bombay and Madhya Pradesh respectively. It was agreed that they should be advised by the Chief Engineers of the two Boards.

4. After discussing the principles in regard to the divi-sion of assets and liabilities of the two Boards the question raised by the representatives of Madhya Pradesh regarding the continuance of the present supply and its extension in pur-suance of the commitments already made in the Mahakoshal area was discussed. The representatives of Bombay reiterated that

they....

they would consider the proposals which would be made by the Madhya Pradesh Electricity Board in this behalf having regard to the existing capacity available. The representa--tives of the Government of India suggested that bona fide commitments on the existing capacity already made should have priority in the utilisation of that capacity. Exist--ing supplies would no doubt be continued uninterrupted. The terms could be discussed by the two Governments and if an agreement was not reached a reference could be made to the Government of India.

5. Discussing the procedure preliminary to the dissolu--tion of the two Boards, Shri Sarkar stated that it would not be necessary to set out the points on which there was agreement, in the notification which would be issued by the Government of India dissolving the two Boards. This point might have to be examined further. The State Governments might, however, exchange letters indicating the agreements reached before the Government of India issue the notification.

He suggested that 1st of April 1957 would be more appropriate for the dissolution of the Boards than 31st March 1957. This suggestion was accepted.

6. The difficulties experienced by the Madhya Pradesh Electricity Board in paying its outstanding bills pertaining to the two areas of Vidarbha and Mahakoshal were also discussed. It was suggested by the representatives of the Government of India that the two State Governments should make funds available early to enable the Board to pay its bills. The representatives of Madhya Pradesh stated that a substantial amount had already been made available and the question of making further amounts available was being considered. The representatives of the Government of Bombay stated that they had made provision of Rs. 44 lakhs for this purpose in the budget for the period from 1st November 1956 to 31st March 1957 on the basis of the budget provision made by the former Government of Madhya Pradesh. They would, however, consider making a further provision, if possible,

and....

and make funds available to the Board very soon. These funds would have to be utilised only for the purpose of the schemes falling within the new State of Bombay.

J.D. Kapadia

Secretary to the Government of Bombay,
Industries & Cooperation Department.

22nd Feb.1957.
Old Secretariat
Bombay.

pvg.

LIST OF OFFICERS.

GOVERNMENT OF INDIA

Shri Hari Sharma,
Joint Secretary to the
Government of India,
Ministry of Home Affairs.

Shri R.R.Bahl, I.C.S., (on 17th February only)
Joint Secretary
to the Government of
India, Ministry of
Irrigation and Power.

Shri R.S.Sarkar,
Joint Secretary to the
Government of India,
Ministry of Law.

GOVERNMENT OF BOMBAY

Shri M.H.Hasham Premji,
Chairman,
Bombay Electricity Board.

Shri N.T.Mone, I.C.S., (on 17th February only)
Secretary to the
Government of Bombay,
Finance Department.

Shri N.K.Dravid, I.C.S., (on 17th February only)
Secretary to
the Government of Bombay,
Legal Department.

Shri D.Kapadia, I.C.S.,
Secretary to the Government
of Bombay,
Industries and Cooperation
Department.

Shri V.L.Gidwani, I.C.S.,
Joint Secretary to the
Government of Bombay,
Finance Department.

Shri K.P.Mathrani, I.C.S.,
Additional Secretary to the
Government of Bombay,
Political and Services
Department.

Shri P.J.Naegamwala,
Secretary,
Bombay Electricity Board.

GOVERNMENT OF MADHYA PRADESH

Shri S.P.Mushran, I.A.S.,
Special Secretary to the
Government of Madhya Pradesh
General Administration(Integration)
Department.

Shri P.D.Chatterji, I.A.S.,
Secretary to the Government
of Madhya Pradesh, Electricity
Department.

Shri T.C.Shrivastava,
Secretary to the Government of
Madhya Pradesh, Law Department.

Shri B.P.Upadhyaya, I.A.S.,
Deputy Secretary to the Govern-
-ment of Madhya Pradesh,
Electricity Department.

Shri V.Krishnamurthy,
Officer on Special Duty,
Government of Madhya Pradesh,
Finance Department.

Shri N.P.Shrivastava, I.A.S.,
(Retired),
Administrative Member,
Electricity Board,
Madhya Pradesh.

Shri M.L.De'Souza,
Finance Member, Madhya Pradesh,
Electricity Board.

Shri K.R.Minocha,
Chief Engineer,
Madhya Pradesh Electricity
Board

Shri M.Y.Koli,
Secretary,
Madhya Pradesh Electricity Boar

GOVERNMENT OF MYSORE

Shri D.K.Shreenivaschar, I.A.S.
Secretary to the Government
of Mysore, Public Works Departme

Shri K.Balasubramanyam, I.A.S.,
Special Secretary to the
Government of Mysore, States
Reorganisation Department.

Shri P.J.Fernandez, I.A.S.
Deputy Secretary, Finance
Department.

Shri J.L.D'sa,
Chief Electrical Engineer,
Government of Mysore.

GOVERNMENT OF RAJASTHAN

Shri A.R.Sethi,
Administrative Officer,
Power House, Rajasthan.

*****

Government shall be deemed to be the loan advanced to the Board. Under Sec.79(1) of the S.R.Act, the right to recover any loan or advances made before the appointed day by the existing State to any local body, Society, agriculturist or other person in an area within that State shall belong to the successor State in which that area is included.

(10) The Bombay Electricity Board was functioning throughout the former State of Bombay and its jurisdiction was not limited to a particular area. As the area of its operation extended over the entire State, the provisions of Sec.79(2) relating to the loans and advances made to persons outside an existing State cannot apply in this case. Hence, the apportionment of the loan made to Statewide institutions by the Government of existing State will have to be governed by the Sec.91 of the S.R.Act under which the assets pass on to the principal successor State in the first instance, subject to such financial adjustment as may be agreed upon between all the successor States before the 1st day of October 1957 or in default of such agreement, as the Central Government may by order direct.

(11) There is therefore a good chance of our being able to claim 14½% of the additional loan declared by the Govt. of Bombay in respect of the Electricity Board. Even if the amount declared under Sec.60(2), Electricity(Supply) Act is deemed to be capital outlay on electricity schemes it will have to be divided under Sec.91 of the S.R.Act as these will be assets in the State undertakings having Statewide jurisdiction. Even if the additional demand of Rs.81/- lakhs is raised against the Electricity Board by the Govt. of Bombay, the assets of the Govt. of Bombay will correspondingly increase by Rs.81/- lakhs and either we will get 14½% of this or about Rs.11½ lakhs as our share of the assets or our share of public debt will be correspondingly reduced. In any reading of the matter, the declaration that a further sum of Rs.81/- lakhs is due from the Electricity Board to the Government of Bombay will not result in an increase of

27

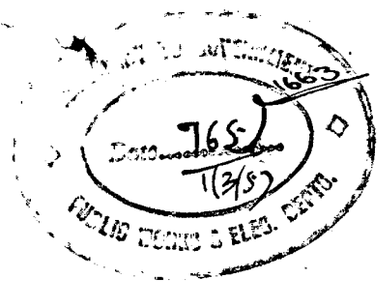
Rs.13.5 lakhs in the liabilities of this Government without a corresponding increase in the assets. The net increase in the liabilities after considering the increase in assets will be only about Rs.1½ lakhs. As against this, the compromise suggested by the Bombay Electricity Board would result in our accepting an additional liability of more than Rs.10/- lakhs.

Ch Secy

19/3

Spl. Secy. SRD.

Sharing of the assets and liabilities of the Bombay Electricity Board.



11) A copy of the note sent to the Finance Department on the above-mentioned subject together with a copy of the note about the discussions held at Bombay between the representatives of the two States, is placed below for perusal. Further action will be taken on receipt of comments of the Finance Department.

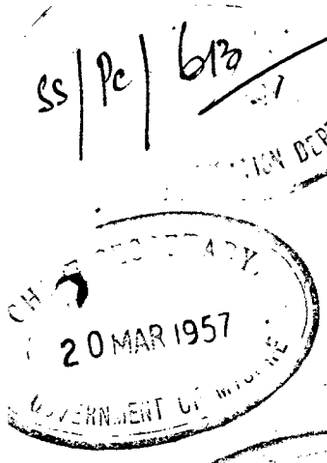
Minister for P.W.)

Intd. D.K.S.
Secy., P.W.

12) Copy to the Chief Secretary for information.

R.T. Smith/RG
Secy., P.W. 1/3/57

SS/Pc/613/57

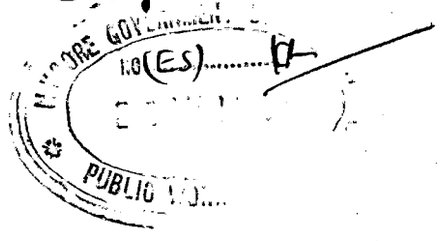


A Separate note is attached examining in the detail the pros & cons for accepting the compromise suggested by Bombay in respect of the sharing & losses.

Ch. Secy

19/3

Secy



13) Secy (PWD)

28/3

B
29)

16) for fo. remarks

F/D) 23/3

(D.K. Srinivasachar)
(Secy. P.W.D)

F.D.

17) I agree with the Secretary, S.R.D. So long as all the units have been worked by the Board as one undertaking the profits or losses cannot be strictly taken with reference to each scheme. We can agree to share the losses with reference to the capital assets taken over. The loss thus taken over will get reduced to the extent of assets which we can claim from the loan of Rs.81 lakhs given by the Government of Bombay to the Electricity Board. Either we will acquire the right of recovery of the proportionate loan transferred to us or we can claim a proportionate share of the assets pertaining to this loan.

FINANCE DEPARTMENT N(25 MAR 1957 GOVERNMENT OF MYSORE

1973/25
26/3

G. Mathias
(G.Mathias)
Finance Secretary
26/3/57.

Secy, P.W.D)

26/3/57

18) xxx
A council note may be prepared immediately

26/3

19) For perusal and approval. It is proposed to place a matter before a Council at its next meeting.

Min: P.W.D) 26/3/57

20)

OFFICE OF THE MINISTER FOR PUBLIC WORKS No. F-1294 26 MAR 1957 BANGALORE

Transfer of the Assets and Liabilities of the Bombay Electricity Board to Mysore State.

Mysore Government
Secretariat
1663

File No. of 195 . [App. F. III 2

Serial No.

2)

The matter may be considered in Council.

Chief Secy

27/3/57
(D. K. Srinivasachar)
(Secy P.W.D.)

2)

Necessary orders may be passed and Secret file: urgent to P.W.D/Com.

27/3

DS

BRN
Hon
27/3

GENERAL & REVENUE SECRETARIAT
Council Section
C. 137/56-7
27.3.57
CHIEF SECRETARIAT

Council Case No. C.137/56-57.
Date 27-3-1957.
FOR CONSIDERATION AT
A MEETING OF THE COUNCIL.
Council Note circulated for information.
Dy. Secy.,
Chief Secretariat.
GAD.

27.3.57

PUBLIC WORKS & ELEC DEPTT.
1957
Date 30-3-57

Note.—Contn. Sheet

S E C R E T. P.W.D. 21/

COUNCIL NOTE.

SUBJECT:- Transfer of the Assets and Liabilities of the Bombay Electricity Board to Mysore State.

Under Section 106 of the States Re-organisation Act, the State Electricity Board of Bombay has continued to function in the areas which now form part of Mysore and in respect of which it was functioning prior to 1-11-1956. A provision has been made in the said Section according to which the Board will be deemed to be dissolved with effect from 1-11-1957, or on such earlier date as the Central Government may be order appoint; and upon such dissolution, the assets and liabilities of the Board will be apportioned between the successor States in such manner as may be agreed upon within one year of the dissolution of the Board, or if no agreement is reached, in such manner as the Central Government may by order determine.

2. Representations have been received from the people of the areas which the Bombay Electricity Board is serving at present to the effect that the electricity system in that area should be taken over by the Mysore Electrical Department as early as possible. It has also been considered administratively desirable to ask for the dissolution of the Bombay Electricity Board even in advance of the date mentioned in Section 106 of the States Re-organisation Act, namely, 1-11-1957. Accordingly the Chief Minister addressed letters to the Chief Minister of Bombay and the Union Minister for Irrigation and Power suggesting that early steps be taken to transfer the assets and liabilities of the Bombay Electricity Board in respect of the Bombay-Karnatak area to the Mysore State. On the basis of the preliminary correspondence between the Governments concerned and the Government of India, an Inter-State Conference consisting of the representatives of the Government of India, the Governments of Bombay and Madya Pradesh and the Bombay Electricity Board was held at Bombay during the middle of February 1957 in order to discuss the principles and procedure for the allocation of the assets and liabilities of Bombay Electricity Board among the States concerned. The detailed proceedings of the Conference are placed in the file. The main conclusions reached are set out below:-

(1) The existing Bombay Electricity Board should be dissolved with effect from 1-4-1957.

(2) Fixed assets such as lands, buildings, installed machinery, transmission lines, etc., should be divided on the principle of "as is where is."

(3) Stores and moveables should go along with the schemes to which they pertain.

(4) Cash balances held by the Board in the Banks, Treasuries, etc., should pass to the State in which the Banks, Treasuries, etc., are located, subject to financial adjustments so as to cover the gap between the assets and liabilities on the one hand, assets and losses on the other.

(5) Loan liabilities (including interest on capital during construction) will be apportioned on the basis of capital assets on the schemes transferred to each region.

(6) Depreciation and current liabilities including deposits would be transferred along with capital assets on the basis of actuals.

.....

(7) Provident Fund amounts will be transferred in respect of the members of the State transferred.

(8) Contract liabilities will follow the schemes in respect of which contracts have been entered into.

(9) As regards personnel, localised staff will go along with the schemes and allocation of common personnel may be as agreed upon between the Board and the Government of Mysore. (A list of officers who would be transferred to Mysore was prepared by the Bombay Board during the conference and has since been agreed to by the Chief Engineer, Electricity. The number of persons transferred is less than the number of posts transferred).

3. These are agreed conclusions reached at the Conference in the presence of the Government of India's representatives. It was also agreed that the Government of India would take necessary steps to issue a notification dissolving the Bombay Electricity Board on being informed by the two Governments to that effect.

4. There was only one point in regard to which a difference of opinion arose between the representatives of Bombay and Mysore Governments. This relates to the sharing of the losses or the revenue deficit in respect of several schemes. In regard to this, the Mysore Government representatives put forward the view that the revenue deficit should be allocated on the proportion of the capital expenditure in the two areas. The representatives of Bombay Government suggested, on the other hand, that it should be apportioned scheme-wise. It was ascertained that if the revenue deficit is to be allocated scheme-wise, Mysore would have to take over a liability of Rs.25 lakhs for the period from 6-11-1954 (the date of the constitution of the Bombay Electricity Board) to the date of the dissolution of the Board, whereas if it were allocated in the proportion of capital assets over the same period, Mysore's share would be Rs.5.58 lakhs. It was then pointed out on behalf of the Bombay Government that on the basis of the principle put forward by the Mysore Government's representatives, Mysore would also have to take over a portion of the revenue deficit prior to the formation of the Bombay Electricity Board, which will be declared by the Government of Bombay, and the Mysore's share of this amount would be Rs.13.5 lakhs, bringing the total Mysore share of the revenue deficit to Rs.19.08 lakhs. The representatives of the Government of Bombay and the Bombay Electricity Board thereupon suggested a compromise formula as below.-

> ".....while the revenue deficits upto the 6th November 1954 may be allocated entirely to the Bombay State Electricity Board, the deficits arising subsequent to that date may be divided on an ad hoc basis, the share of each party being the average of the following two amounts, namely:-
>
> (i) the pro rata share of the total net deficit calculated in proportion to the capital assets allocated to that party, and
>
> (ii) the aggregate amount of the net deficits pertaining to the shhemes going to that party after allowing for the surplusses, if any."

This formula results in Mysore taking over a liability of about

..... 3

33

about 15.25 lakhs as against Rs.19 lakhs according to assetwise allocation. It was agreed at the Conference that this compromise solution will be placed before the respective Governments for consideration.

5. This particular question on which there was no agreed decision has since been examined in the States Re-organisation and Finance Departments here. The State Re-organisation Department has pointed out that even if the increased liability of Rs.19 lakhs is taken over, it would be more than compensated by the share of the general assets of the former Bombay State of which Mysore would get 14½ per cent on the population basis. The States Re-organisation Department has come to the conclusion by accepting the compromise suggested by the Bombay Government, we would ultimately be accepting an additional liability of more than Rs.10 lakhs, taking into account the allocation of general assets and liabilities also. The Financial Secretary has noted as follows:-

> " I agree with the Secretary, S.R.D. So long as all the units have been worked by the Board as one undertaking, the profits or losses cannot be strictly taken with reference to each scheme. We can agree to share the losses with reference to the capital assets taken over. The loss thus taken over will get reduced to the extent of assets which we can claim from the loan of Rs.81 lakhs given by the Government of Bombay to the Electricity Board. Either wee will acquire the right of recovery of the proportionate loan transferred to us or we can claim a proportionate share of the assets pertaining to this loan."

6. The Government of Bombay have ratified all the conclusions reached at the Inter-State Conference and have asked that this Government do likewise. Orders are therefore required on the following points:-

(1) Agreeing to the transfer of assets and liabilities of the Bombay Electricity Board with effect from 1-4-1957.

(2) Ratification of the principles of allocation of assets and liabilities, except in regard to the revenue deficit, which will be shared on the basis of capital assets and not in accordance with the compromise formula suggested at the Conference.

(3) Allocation of personnel of the Board in accordance with the lists agreed to between the Board and the Chief Engineer, Electricity.

D.K. Srinivasachar
27.3.57

(D.K.Srinivasachar),
Secretary to Government,
Electrical Department.

BRN/27-3-57.

C.137/56-57.

Extract from the Proceedings of the.....Seventeenth.....*Meeting of the Council of Ministers held at Bangalore on*.....29th March.....1957.....

SUBJECT:- C.137/56-57.

Transfer of the Assets and Liabilities of the Bombay Electricity Board to Mysore State.

DECISION OF COUNCIL.

23) Stand taken so far by the representatives of the Mysore Government is approved. Further negotiations may continue. The proposals in Para 6 are approved.

(SD) S. NIJALINGAPPA,
CHIEF MINISTER.

24)

30/3/57

25) Secretary, P.W.

30/3
30/3/57
30/3

Letter No. SRA.1057-K dt 28.3.57 from the Secy to the Govt of Bombay, Ind & Co-op Deptt ratifying the decisions taken at the Conference at Bombay and requesting for the Consent of Mysore Govt.

Telegram dt 28.3.57 from the Ministry of Irrigation & Power stating that the Notification dissolving the Bombay Electricity Board with effect from 1.4.57 has been issued.

"EXTRACT"

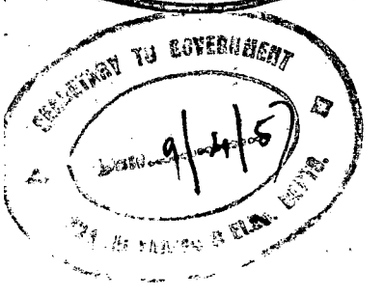
H. Halleshappa
Deputy Chief Secretary to Government.
CAD.

30.3.57

1952 / J / 311

35/ Dissolution of Bombay Electricity Board — Transfer of assets & liabilities.....

Issued DO letter No. RD(S&SEBS) dt 30.3.57 to the C.E.E. conveying the approval of Govt to the transfer of assets & liabilities from 1.4.57 and requesting him to take necessary action in this behalf.



26/ For perusal. CE's report about taking over will be awaited.

Min: PW

27/ 9/4

9/4/57
(Secy P.W.D)

28/ Dft letter to Govt. of Bombay

D.O. Letter No. Ll II 307 (1) 57/56 dated the 5/6th April 1957 from the Joint Secretary, Govt. of India, Ministry of Irrigation and Power, New Delhi.

Requests that the question of the distribution of the contractual liabilities of the dissolved Bombay State Electricity Board be examined by the Govt. of Mysore in consultation with the Govt. of Bombay.

29/ Orders of the Secretary:

Mysore Government
Secretariat

Take Over of Jor. Karnataka area from Bombay Electricity Board

File No. [App. F. III 2] of 195 .

Serial No.

1952 311

XXX - Council has already taken a decision in the matter. Draft letter to Govt. of Bombay has to be sent up urgently.

Intd. D.K.S.
9/4

Letter No. 1711 dated the 6th April 1957 from the Chief Electrical Engineer.

Forwards a copy of the proceedings of the meeting held at Hubli. On 31/3/57.

Letter No 1710 dated the 6th April 1957 from the Chief Electrical Engineer.

States that the Karnataka area now operated by the Bombay Electricity Board has been taken over charge as from the morning of 1/4/57.

30) A draft letter to the Govt of Bombay is put up for consideration.

31) for approval

Dep Sec
Sec (Elec)

32) B.S. Sanction
10.4.57
Sec (Elec)

33) Pl. put up draft for
signature of SRD

Sec (Elec)

Note.—Contn. Sheet

Mysore Government
Secretariat

File No. 37) Transfer of the assets and liabilities of the Bombay Electricity Board of 195 . 1952 311 924

Serial No.

34) A typed draft is put up.
12/4

35) Dep Secy (Pub Edn)
12/4

36) [illegible] 12/4/57

37) For perusal before issue
Spl. Secy. to RD
15/4/57
K. SRINIVASACHAR
Secy. P. W. & Elec. Depts.

SECRETARY TO GOVERNMENT
Dept. 13/4/57
PUBLIC WORKS & ELS

Secy (Elec)

P.C. Pl. prepare
[illegible]

38) 15/4
Secy PWD

K. BALASUBRAMANYAM
Secy. S. R. D.

39) [illegible]
16/4
16/4/57

[illegible] 17/4/57

Letter No: 1901 dated the 9th April 1957 from the Chief Engineer, Electricity.

Forwards for information of Govt. Copies of correspondence.

40) Submitted for perusal. It is stated that ratification of Govt. will be obtained, if necessary, in individual major cases without any complication.

Regd. 18/4

1585.

WD-05450-GPB—P. Z. S.—90,000—21-9-56.

Mysore Government
Secretariat

[App. F. III 2 37

File No. PWD 8 SEB 57 of 195

Serial No.	
1585 Elec	41) for perusal
	Dep Sec (Elec) 42) Bdn 25-4-57 — Bg 23/4/57
	Sec (Elec) 43) 26/4 — Bg 26/4
Sl. No 22/4	
Sec A) 3/25	

ASSISTANT TO REGISTRAR
9-4
25/4/57

Note.—Contn. Sheet

1661

Serial No.

G.O. letter No. SRA '057-K. dated the 4th April 1957 from the Govt. of Bombay.

Forwarded a copy of their letter addressed to the Bombay Electricity Board.

44) The Bombay Electricity Board will be reminded on 20/4/57 if no reply is received by then.

43) Y&M 20/4

Y 18/4
VMM 19/4

46) Draft Agn of a letter to the Chairman, Bombay Electricity Board are put up for approval.

AN 20/4/57
Ch. VP 20/4

43) Y&M 20/4

Y 23/4
VMM 23/4

Issued on 24/4/57

Y 25/4

Letter No. SCR-131/II/C-198 dt 4th May 1957 from the Bombay Electricity Board offers the views of the Board on the matter.

48) It is stated that the Govt. of Bombay have been informed that there was no necessity for issue of any orders as provided for under Section 106(3) of the States Reorganisa-

e.—Contn. Sheet

(39)

File No. PWD 8 SRD 57 of 195 — 1395 — Law V

Mysore Government Secretariat

Act.

Serial No. 2076 Ext

L.F. 1585

(49/5) It is also stated that the Govt. of Bombay were requested to prevail on the S.O.I. not to issue any Orders under Section 106(a) as contemplated.

Disturbed made over file. Flag (V) T.

50) The Govt. of Bombay have been separately informed re the decision of this Govt. on the apportionment of the assets & liabilities as decided at the Inter State Conference.

8/5 Dep Sec PWD(E)

8/5 Mysec 8/5

51/5) Pls answer secy's query on p. 3. C.F.

Boss 11-5-57 By 11/5

Dy. VD 11/5

52/5) The letter dt 5th April 1952 received from the Ministry of Irrigation & Power in C.F.P 23 in the linked file has been dealt with in that file.

16/5 Dep Sec PWD(E)

By 16/5

53) Boss 21-5-57 By Secy (Elec)

54) S R D and Law Dept. may see

Secy SRD
Law Secy } 26/5 D. K. SRINIVASACHAR Secy. P. W. & Elec. Depts.

55) Seen in 4/p. 56/28

Secy PW. D By 28/5 mvs 4/6/57 28/5

Secy. S. R. D.

SECRETARY TO GOVERNMENT 2078 Date 22/5/57 PUBLIC WORKS & ELEC. DEPTT.

SECRETARY TO GOVERNMENT 1515 4-JUN 1957 LAW DEPARTMENT

ADOPTION OF LAW BRANCH No. Jr 31/5/57 31 MAY 1957 FOR GOVERNMENT SECRETARY

Sri C.N.N. Sri J.B.

F. No. 1364 /Law Sec. V 29-5-57 Secy (Elec)

mvs 31/5/57

SPECIAL SECRETARY NO 999 27 MAY 1957 STATE DEPT.

WD-05450-GPB-P.W.D.—90,000—21-9-56.

2076 ✓2654
9820 ✓2734 ✓

Serial No.

D.O. letter No. 715 dated the 29th May 1957 from the Chief Engineer, Electricity.

Requests for the issue of a notification for having taken over the assets & liabilities of the Bombay Electricity Board.

Letter No. El.-II-307(7) dated the 30th May 1957 from the Officer on Special Duty, Ministry of Irrigation & Power, Govt. of India.

D.O. letter No. 793 dated the 4th June 1957 from the Chief Engineer, Electricity.

Forwards a copy of the letter of the Accountant General, Mysore.

57) The BR. has requested on the letter of the A.G. addressed to him for the issue of a notification for the information of the public of the transfer of the assets & liabilities from the Bombay Electricity Board. This is for orders.

58) The Officer on Spe

Note.—Contn. Sheet

Dissolution of the Bombay Electricity Board.

File No. PWD & SEB 57 of 195

Mysore Government Secretariat

Serial No. 2921 EW

41) Govt of India, Ministry of Irrigation & Power has requested for the present stage. Kind reference is invited to the letter dt 4/5/1957 of the Bombay Electricity Board. In this letter the Board have intimated that the Govt of Bombay have been requested to prevail on the Govt of India not to issue any order under Section 106(a) as contemplated, as no such orders were indeed necessary. For orders whether this may be intimated to the Spl Officer on Special Duty. CFP 49-51.

3/11/6 59) A formal notification of Govt for the undertaking of the assets and liabilities of the Bombay Electricity Board effective from 1-4-1957 may be issued for the information of the public.

Dy Sec (PWD) 27/6

60) will A.S. for speak

Rao 28/6

Discussed. PS

61) Verify whether issue of notification is in accordance with the Sub Section 3(b) of Section 106 of S.R. Act-1956. An extract may also be put up

PS 4/7

2921

Serial No.

A

SECRETARY TO GOVERNMENT
Ex. 2770
Date 11/7/57
PUBLIC WORKS & ELEC. DEPTS.

62) Under Section 106 (3)(b) of the S.R. Act 1956, the Govt. of India have already notified the date (~~1-4-57~~ 1-4-57) from which the Bombay Electricity Board has to be dissolved & its assets apportioned between the successor State. No separate notification appears to be necessary.

63) (Dep Sec PWDEle) PB 10/7

PB 8/7

64) (Sec PW) 11/7

65) A: where is the notification?

11/7

12/7 PB 12/7

66) The notification is flagged A.

67) (Sec Elec) PB 12/7

12/7

68) 13/7 PB 13/7

R. VA 13/7

69) Draft typed of a letter to the Govt. of India for approval for issue before 20/ 15th

17/7 17/7

Dep Sec Elec 71) PB 19/7

PB 23/7

Note.—Contn. Sheet

division of the assets & liabilities of the Bombay Electricity Board.

Mysore Government Secretariat

File No. 2/11/57 of 195

Serial No. 2921

(1) Issued in MPWD & SEB 5)
To. 9 24-7-57)
The CE.E.
Letter No. EL II - 307(7)/56
dated the 17th July 1957 from
the Govt. of India.
Requests to be informed
of the further developments.

(2) As noted in para 5 & 6, the Govt. of India, Ministry of Irrigation & Power may perhaps be informed of the decision taken by the Govt. of Bombay Electricity Board please vide CFP 49-57.

(3) Dep/Sec Phone) 31/7

(4) C.W Pln. speak Bom 31/7/57

(5) Two drafts are putup for approval as personally instructed by the Deputy Secretary

(6) for approval Dep/Sec Phone) 1/8

(7) Letter to Sri Bhat, Joint Secretary to the Govt. of India Ministry of Irrigation & Power issued. 6/9 9/9

(8) Seen. 7/9

(9) Await Bombay Govt's reply. 7/9

(10) For orders whether the two drafts of letters putup to the Govt. of Bombay & the Officer on special duty, by D.I. may issue now. Dep/Sec Phone) 16/9

SECRETARY TO GOVERNMENT
Ex. 603
Date 6/9/58
PUBLIC WORKS & ELEC. DEPTT.

WD-05450-GPB—P. Z. S.—90,000—21-3-56

Serial No.

81) The letter to Bombay Govt may issue.

BSS 17 9/57

Dy Secy (Elec)

Secy (Elec)

82) Yes

Sd/-

BSS 19 9/57

Dy Secy (Elec)

Issued in Lr. No. SEB-

Dy. Secy (Elec)

The Secy to the Govt of

(Industries & Cooperation)

(Dept. of Industries)

Fort, Bombay 1.

Letter No. SRA 1057/133675-K dated the 9th October 1957 from the Govt. of Bombay.

Forwards for information a copy of the letter addressed to the Secretary, Bombay State Electricity Board.

83) Submitted for perusal. The matter is still pending with the Bombay State Electricity Board.

84) for perusal

Dy Secy (Elec) BSS 17 9/57 Dy Secy (Elec)

Secy (Elec) 16/10 Sd/- 18/10

Dy Secy (Elec) BSS 17 9/57 Dy Secy (Elec)

Secy (Elec) 21/10

Note.—Contn. Sheet

ES-603

4986 to 5744

SECRETARY TO GOVERNMENT
Date 18/9/57
PUBLIC WORKS & ELEC. DEPTT.

Division of the assets & liabilities

45) 311/part File No. of the Bombay Act of 1957. Electricity

Mysore Government Secretariat

Board

Serial No. 5744-V-6018

Letter No. SRA. 1057/138199-K dated the 1st November 1957 from the Govt. of Bombay

State that the Bombay State Electricity Board agreed to bear the loss entirely on the condition that the Govt. of Bombay Mysore will agree to the compromise formula of bearing losses after 6/11/54 as provided in the minutes of the said Conference.

86) It is also added that they have no objection to accept the Mysore Govt's proposal to divide the Estimated deficit after 6/11/54 in proportion to the assets, they provided the Mysore Govt agree to bear the deficit in proportion to their assets even before the formation of the Bombay Electricity Board.

87) Submitted for perusal & orders.

88) Before PUTOL) B 6/11

5/11 Draw DM 89) U.S. (Elec) Pls discuss

Bom 6/11/57

Discussed B

Serial No.

90) After the Conference of the representatives of Mysore, Bombay and Andhra Pradesh held at Bombay during the middle of February 1957, this Govt addressed the Govt of Bombay on 1/4/57 (C&R 38-39) and informed them that this Govt are of the view that the losses of the revenue deficits accruing in respect of the installation in the Bombay-Karnataka area after the Electricity Board came into existence should be shared between the Board & the State of Mysore in the ratio of the Capital assets in the two Cases.

91) The Govt of Bombay have considered these suggestions of this Govt and have stated that as the Govt of Mysore desires that the Revenue deficit after 6/11/56 should be divided in proportion to the assets, they have no objection to accept the Mysore Govt's proposal provided Mysore Govt agrees to bear the deficit in proportion to a

Note.—Contn. Sheet

47 PWD File No. 8 SEB of 1957

Mysore Government Secretariat

Serial No. 6018

assets even before the formation of the Bombay Electricity Board. They desire to have confirmation.

92) This is noted in accordance with the orders of this Govt. Submitted for perusal & orders.

13/11/57 Dep Secy (Elec) BS 13/11

93) I suggest we may have a discussion on this point. Before we have that discussion, as the Mysore State Electricity Board has been formed, it would be desirable refer this to the Board for their opinion.

B.S. Srikantiah
14-11-57
Dy Secy (P.W. Elec)

Secy (Elec)

94) Yes. This may be put up after a letter to the Board is sent.

19/11

19/11/57 BS 19/11

95) Draft typed for a letter to the Secretary, SEB. are put up for approval.

96) 20/11

21/11 20/11

No. PWD. 8 SEB 57
Dated 23/11/57

P. 74

The Secy, M.S.E.B. Bgle

SECRETARIAT TO GOVERNMENT
No. EE 890
14 NOV 1957
PUBLIC WORKS & ELEC. DEPTT.

WD-05450-GPB—P. Z. S.—90,000—21-9-56.

Principles for the division of assets & liabilities of the [illegible] Electricity

ysore Government Secretariat 48

[App. F. III 2

PWD File No. 8 SEB 57 of 195

Serial No.

6018.

91) Issued typeup - Reference to para 94. 95) Dep Secy (Mele) 4/12 4/12

99) Bm 4/12 57

Secy (Elec)

E 5165 D 57

100) for f.c. remarks [Refer: Bombay instn letter]

Addl Secy (Mele) 4/12

D. K. SRINIVASACHAR
Secy. P. W. & Elec. Depts.

SPECIAL SECRETARY 4157 7 DEC 1957 STATE REORGANISATION DEPTT.

7/12/57

101) As the stand taken by Mysore Govt has been approved in the Council on 27-3-57, any change in that proposal may require approval of Council. Meanwhile the views of Mysore State Electricity Board may be obtained & proposals put up for approval of the Council. This matter is pending again in this dept if necessary

Addl Secy 10/12 Mm 10.12 Agree. Pending any further

MYSORE GOVERNMENT SECRETARIAT No. 9 - DEC 1957 5427(AL) STATE REORGANISATION DEPTT.

SPECIAL SECRETARY 4194 10 DEC 1957 STATE REORGANISATION DEPTT.

10/12/57

Addl Secy

102) Sec (W) Mm 12/12/57

103) Put up on receipt of report from SEB

Rm 13/12

Bm 13/12/57

Gm A) 14/12

Note.—Contn. Sheet

Rm 13/12/57

Principles for the division of assets & liabilities of the Bombay Electricity Board

N9 File No. PWSD 8 SEB 57 of 195 Mysore Government Secretariat

Serial No. 2001.

U3165.

ele

√3590.

D.O. letter No. EL III - 307(7) dated the 12th February 1958 from the Joint Secretary, Ministry of Irrigation & Power, New Delhi.

Requests to be intimated of the further developments in the matter.

104) The Mysore State ... Electricity Board has been requested to offer their views in the matter & have also been reminded.

105) Boards reply may be awaited.

19/2 — 19/2 — 19/2

C.F.P. 24

Letter No. 4446 dated the 12th March 1958 from the Secretary, MSEB.

Sur A 3/24/2

States that information re. capital outlay incurred/provision on the various Electricity Schemes of the Bombay State has been called for from the Bombay Electricity Board.

106) Submitted for perusal. The remarks of the MSEB will be awaited

29/3/58

3/26/3 — 26/3

Letter No. EL III - 307(7) dated the 21st March 1958 from the Govt. of India,

Mysore Government Secretariat 50

Principles for the division of assets & liabilities of the Bombay Electricity Board

File No. of 195 . Upp. I. III 2

4136

Serial No.

Ministry of Irrigation & Power - Requests to be intimated of further developments

108) The reply is still due from the Secretary, M.S.E.B.

3/4 109) wait till 10th inst and if a reply is not recd. by that time, remind

Illegible 5/4

R.V.D. 7/4 Letter No. SRA-1058/98536-E dated the 7th April 1958 from the Govt. of Bombay.

Forwards a copy of their letter addressed to the Govt. of India, Ministry of Irrigation & Power.

110) The Govt. of Bombay have requested that the Comments of this Govt. on the draft may be communicated to the Govt. of India, Ministry of Irrigation & Power.

111) The comments of the State Electricity Board will be obtained, if approved.

112) Draft ready. Illegible 25/4

R.V.D. 25/4 113) A draft letter as proposed

25/4 Illegible 25/4 114) for perusal & approval is sent

26/4 Illegible 26/4 115) Illegible 28/4 Illegible 28/4

Note.—Contn. Sheet

Serial No. 4136

10825

Issued PWD 28 SEB 5791-5-58

Letter No. A5-1167/58-59 dated the 13th August 1958 from the Secretary, M.S.E.B.

Offers the views of the Board in the matter.

116) The Secretary, M.S.E.B. has examined the question of the protection to the employees of the Bombay Electricity Board transferred to the Govt. of Mysore.

117) The question is about examining the draft of the notification proposed to be issued by the Govt. of India this notification relates to Contracts and legal proceedings. The M.S.E.B. has stated that excepting for the protection to be given to the employees the draft of the proposed notification appears to be in order. Submitted for orders.

S.A. 3/5

Mysore Government Secretariat

52

File No. 1760/58 Law of 195 .

[App. F. III 2

Serial No.

8917

10825

3480/58-OPW Law III

Letter No. A.S-4/57-ST dated the 11th July 1958 from the Secretary, M.S.E.B. —

Request to have a copy of the minutes of the Inter-State Conference held in Bombay. —

118) For orders whether an extract of pages 11-12 of the notes file may be sent to the Secretary M.S.E.B. This information is required by the Board to answer this Office letter dt. C.F.6.74 (Correspondence)

29/8

119) A copy of the minits may be sent to Secy, MSEB for this information

28/8/58.

120) The comments of MSEB may be seen on page 93 ante in regard to the order proposed to be issued by G.O.I. pages 88-91 ante.

For orders on para 119 ante

Sd/ R.D.) 23/8

121) Secy. 26.8.58 Sd/-

Secy!

122) The Minutes as on record raised at para 2 of MSEB's letter

L.D.)

D. K. SRINIVASACHAR
Secy. P. W. & Labour Depts.

MYSORE GOVT. SECRETARIAT
NO.....
29 AUG 1958
LAW SECTION. 3

SECRETARIAT TO GOVERNMENT
ES 1957
26 AUG 1958
PUBLIC WORKS & LABOUR

2379/75
10/9/58

2829/Law Sec III
29.8.58

Note Contn. Sheet

Serial No. PWD 28 SEB

123) It does not appear to be correct to say that Sec 111 of the S.R. Act does not apply. The Pre-Reorganisation Electricity Board of Bombay was a corporate body and the Electricity Works of Ports & Mysore in which the employees were transferred is an 'undertaking' & the Part-IX Sec 111 of S.R. Act is attracted.

124) Some suggestions have already been made regarding the draft order in File No. PWD. 24 SEB. 58 (1625- Law Sec)

PW-Elec. Dept.

Marudeo 24/9
R. P. VASUDEO,
Secy., Law Dept.
24/9

MYSORE GOVERNMENT SE... 13902 29 SEP 58 ELECTRICAL BRANCH

27/9

CM VD 27/9

A. 1/10/58

~~1-10-58~~

125) In the case of a similar reference from the G.O.I. Ministry of Irrigation & Power, they have been addressed as per the opinion furnished by the Law Dept. for orders whether the G.O. Bombay be informed in terms of the Law opinion in PWD. File No. 24 SEB 58. with a copy to M.SEB

Paras 16-17 of notes.

4/10 Issued 4/10

126) Yes. Submit with a draft

letter

Mr 6/10

CVD 6/10

127) A draft letter to the G.E. Bombay is put up for approval & CFP. 96-97.

8/10
DMW
PJ.

128) D/s

for perusal
Mr 9/x

129) As ordered by the Deputy Secretary in para 25 of the notes on file No. PWD 24 SEB 58 (placed below) the draft letter already put up to the G.E. Bombay is revised & put up for approval.

DEPUTY SECRETARY P.W. DEPTT. No ..... 10 OCT 19.. GOVERNMENT OF MYSORE

15/10
DMW
17/x

D/s

For perusal before sig.
Mr 16/x

16/10
Mr 17/x

Issued. On 20/10/58.

P

6/6

217

No. EL-II-3.07(7)
GOVERNMENT OF INDIA
MINISTRY OF IRRIGATION & POWER
. . . . . .

New Delhi, the 22nd Feb. 1957.

From

Shri N.S. Vasant,
Officer on Spl. Duty.

The Secretary
to the Govt. of Mysore,
Public Works & Elec. Dept.,
B A N G A L O R E .

Sir,

I am directed to refer to your letter No.EDS-5640/Elec.175-56-12 dated the 6th February, 1957, concerning the division of assets and liabilities of the existing Bombay Electricity Board and to say that under section 128 of the States Re-organisation Act, no order can be made which would be inconsistent with any provisions of the Act. Section 106 of this Act provides for the division of assets and liabilities of an existing Board in any case when a new Board is established or when the existing Board is dissolved. An order for th division of assets and liabilities of the existing Board of Bombay among the Governments of Mysore, Bombay and Rajasthan cannot be made before the dissolution of the existing Board. The Government of India is advised that the best course under the circumstances would be for the Governments of Bombay, Mysore and Rajasthan to come to an agreement as to the division of the assets and liabilities of the existing Board of Bombay and as soon as the existing Board is dissolved, the agreement will have effect. This position was explained by the representatives of the Government of India to the represe-tatives of the Governments of Bombay, Mysore and Rajasth

PWD 8 5897

No. EL-2-477(7).
GOVERNMENT OF INDIA
MINISTRY OF IRRIGATION & POWER
. . . . . .

New Delhi, the 2nd Feb. 1957.

From

Shri K.S. Vasant,
Officer on Spl. Duty.

To

The Secretary
to the Govt. of Mysore,
Public Works & Elec. Dept.,
B A N G A L O R E .

Sir,

I am directed to refer to your letter No.Elec-5640/Elec.175-58-12 dated the 6th February, 1957, concerning the division of assets and liabilities of the existing Bombay Electricity Board and to say that under section 128 of the States Re-organisation Act, no order can be made which would be inconsistent with any provisions of the Act. Section 108 of this Act provides for the divisn of assets and liabilities of an existing Board in any case when a new Board is established or when the existing Board is dissolved. An order for th division of assets and liabilities of the existing Board of Bombay among the Governments of Mysore, Bombay and Rajasthan cannot be made before the dissolution of the existing Board. The Government of India is advised that the best course under the circumstances would be for the Governments of Bombay, Mysore and Rajasthan to come to an agreement as to the division of the assets and liabilities of the existing Board of Bombay and as soon as the existing Board is dissolved, the agreement will have effect. This position was explained by the representatives of the Government of India to the repres

during the inter-State meeting held at Bombay on the 17th and 18th instants to consider the issues relating to the divisions of assets and liabilities of the Electricity Boards.

Yours faithfully,

(N.S.VASANT)
Officer on Special Duty.

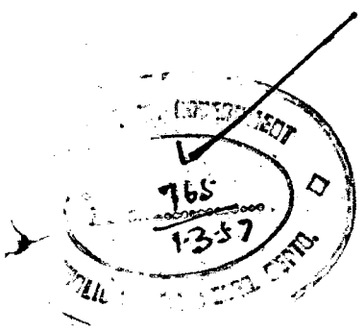
during the Inter-State meeting held at Bombay on the 17th and 18th instants to consider the issues relating to the divisions of assets and liabilities of the Electricity Boards.

Yours faithfully,

(A.S.Vaidya)
Officer on Special Duty.

Allocation of assets and liabilities of the Bombay Electricity Board

Discussions took place at Bombay on the 15th, 17th and 18th February 1957 between the representatives of Mysore and those of Bombay on the question of the division of assets and liabilities of the existing Bombay Electricity Board between the Government of Mysore and the residuary Board of Bombay. The full minutes of the proceedings of the meetings received from the Government of Bombay are placed below for perusal. Comments are furnished where necessary, giving the reasons for the circumstances in which certain conclusions were reached.



A statement containing essential information about the electrical installations in the Mysore area of the Bombay Electricity Board is also attached for reference.

771
915

I. Date of transfer of assets and liabilities

It had been agreed earlier between Bombay and Mysore Governments that the transfer may take place on 1st March 1957. As a result of the discussions held and in view of the opinion expressed by the representatives of Madhya Pradesh who also attended the Inter-State conference, it was decided that the date of dissolution of the Bombay Board may be fixed as 31st March 1957. This would enable annual accounts to be made up completely for the Bombay Electricity Board and would enable the agencies taking over assets and liabilities to start operations with the new financial year.

II. A s s e t s

(a) Fixed Assets - No comments.

(b) Stores:- With regard to tools, equipment, etc., which are meant for use in headquarters or elsewhere, it was agreed that necessary financial adjustments may be made. It was understood that only a station wagon and some furniture at the Electricity Board office at Bombay would come under this category.

Contd.

(c) Investments and cash balances

The general conclusion is in accordance with the principles usually adopted in such cases. The latter portion of the minute was however, inserted for this reason, namely, that the exact amount of cash balance cannot be computed on or by the date of transfer and in the meantime, the Mysore Government or the Mysore Electricity Board, if one is to be formed by 1-4-1957, may find it difficult to carry on operations in the Bombay area except after necessary financial appropriations. There is a balance of unutilised loan amounting to about Rs. 1.21 lakhs and a depreciation fund balance of about Rs. 13 lakhs. What is implied in the latter part of the minutes under this item is that the Bombay Electricity Board will, on 1-4-1957, transfer at least the aggregate of the above-mentioned two amounts, subject to financial adjustment later on.

(d) and (e) - No comments.

II. Liabilities.

(a) Loans.-

(i) Loans on account of capital works:- The Bombay Electricity Board was constituted with effect from 6th November 1954. Under the Electricity Supply Act of 1948, the capital value of the assets transferred from the Government to the Board should be treated as a loan given by the Government to the Board, carrying interest at an agreed rate. It was ascertained that while the amount of capital transferred is known, the total sum which is treated as liability including interest on capital during construction and interest, if any, on capital during maintenance up to the date of formation of the Board, has not yet been declared

Contd.

by the Bombay Government. It is also ascertained that this amount will be declared very shortly.

(ii) No comments.

(iii) Interest on capital outlay operation and maintenance and other interest liability, if any, accrued prior to the formation of the Bombay Board will not be the liability of the Mysore State if the formula proposed under (iv) is accepted. Otherwise, the decision under this head has to stand.

(iv) Revenue deficit after providing for interest on capital and for depreciation.

It is seen from the annual financial statement for 1957-58 prepared by the Bombay Electricity Board that the following losses have been incurred during the years 1954-55 (for the period 6-11-1954 to 31-3-1955), 1955-56 and 1956-57 (estimated):-

Year.	Amount of revenue deficit	Mysore (according to schemes)	Balance.
1954-55 (6-11-54 to 31-3-55)	9,72,879	3,78,374	5,94,505
1955-56	16,66,545	13,80,203	2,86,342
1956-57.	+ 7,08,063	+12,40,916	-5,32,853

If the revenue deficit is allotted schemewise, Mysore will have to take over a revenue deficit of Rs.29,99,493, whereas if the total revenue deficit is allocated in the proportion of the capital assets between Mysore and the rest of the Board, that is to say, roughly in the proportion of 1:5, Mysore's share of the revenue deficit will be Rs.5.58 lakhs (approximately). The Mysore representatives pointed out

Contd

that Mysore could be asked to take over only this portion of the revenue deficit. The representatives of the Government of Bombay disputed this position and stated that since the accounts were prepared schemewise all along and the losses had been incurred specifically on these schemes, it would not be equitable to ask Bombay Electricity Board to share the losses. They further pointed out that a liability of about Rs.81 lakhs would go over to the Bombay Electricity Board as the revenue deficit for the period prior to 6-11-1954 when the Government of Bombay declared the amount of loan inclusive of the amount of interest during operation and maintenance stage, and that if the principle put - forward by Mysore were to be accepted, Mysore would have to take over about 1/6 of this liability also, which would come to about Rs.13.5 lakhs. The Mysore share of the revenue deficit for the entire period (including the pre-Board period) would thus be about Rs.19.08 lakhs. The Chairman of the Bombay Electricity Board and the Secretary to the Government of Bombay, Industries - Department, both suggested that a compromise solution might be thought of. It was stated in the circumstances by the Mysore representatives that the formula suggested by Bombay (stated in the minutes) would be placed before the Government of Mysore for consideration. Information is also available to the effect that in regard to one particular installation in Mysore area, namely, the Hubli Power House, there has been a surplus to the extent of Rs.2 to 3 lakhs. If this is taken account of, the actual revenue deficit pertaining to the schemes in the Mysore area would be about Rs.28 lakhs. The Board representatives also made the statement that although the estimated revenue deficit for 1956-57 for the Mysore

Contd.

area is Rs.12.4 lakhs, the actual deficit is likely to be much less in view of the profitable working of some of the units during the year since the estimate was prepared. They estimated that the net revenue deficit in the Mysore area calculated schemewise might be of the order of Rs.25 lakhs only. According to the compromise formula, Mysore would have to take over a revenue deficit of Rs.15.25 lakhs as against about Rs.19 lakhs which may come to its share if both the pre-Board and the post-Board revenue deficits are allocated according to the proportion of capital assets taken over.

(b), (c) and (d) - No comments.

III. Personnel.

A list of officers and officials proposed to be allocated to Mysore was handed over on the 18th by the representatives of the Government of Bombay and has been passed on to the Chief Engineer, Electricity, Mysore, for examination and report. It is seen therefrom that only officers of the rank of Deputy Executive Engineers and below are being allocated and generally the number of people allocated is smaller than the number of posts transferred. This is because the Bombay Electricity Board wants to have as large a share of the personnel as possible in view of its needs and also because the Chief Engineer, Electricity, Mysore, felt that the vacant posts could be filled up by available personnel in Mysore State without prejudice to

efficiency.

The above conclusions reached at the Inter-State conference are for ratification by Government. Before the question of ratification is taken up, the Finance Department may kindly furnish its views on the proposals made in regard to the allocation of assets and liabilities. Copies of the Administration report and the Annual - Financial statement of the Bombay Electricity Board are placed below for reference.

765
1-3-57

Finance department)

(D. K. Srinivasachar)
P.W. Secretary.
1.3.1957

12-60/B
vbk/11.

FINANCE DEPARTMENT
No. 878.
5 MAR 1957
GOVERNMENT OF MYSORE

Budget Brch. 3/3
Secy. 4/3/57

SECRETARIAT
537
05 MAR 1957
RESOURCES

Details regarding the schemes that are in operation in the Mysore area of the Bombay Electricity Board.

	Jog - Karnatak Scheme	Hukeri Power House	Guledgud Power House	Ilkal Power House	Bailhongal Power House
1. Capital expenditure to end of 56-57	87,61,326	5,74,991	7,20,751	5,48,610	4,07,469
2. Total income	14,25,000	1,49,500	1,17,400	53,000	20,000
3. Working Expenses	5,98,480	1,19,444	1,16,894	60,904	30,302
4. Net revenue	+8,26,520	- 30,056	+ 506	- 7,904	- 10,302
5. Interest charges	11,42,128	85,425	62,830	58,965	32,117
6. Depreciation	5,37,370	69,802	42,912	42,597	5,646
7. Net surplus (+) or deficit (-)	-8,52,978	1,25,171	-1,05,236	-1,09,466	- 48,065
8. Capacity of the system in K.W.	11,500	400	400	200	150
9. Areas served	North Kanara & Dharwar Districts	Hukeri Sankeshwar Chikodi Gokak Konnur	Guledgud Kamatgi Amingad Sulebhavi Gudur Bagalkot	Ilkal Hungud	Bailhongal

Besides these five schemes in operation, there is another diesel scheme, namely, the power house at Gajendragad, which is under erection. A capital expenditure of Rs.2,32,700/- has so far been incurred on this scheme.

Funds allotted for Second Five Year Plan Projects commencing from 1st April 1957.

The allotment of funds for the Second Five Year Plan Projects, amounts to be utilised in 1956/57 and balance of allotment to be transferred to Mysore State as on 1st April 1957 will be as follows:-

	Total	Lakhs Mysore.	Board
	Rs.	Rs.	Rs.
Total allotment. ...	1,195.00	60.00	1,135.00
Less to be used in 1956/57	322.64	39.50	283.14
Balance remaining for 1957/58 and future years ...	872.36	20.50	851.86
To be used as per Budget Estimates of 1957/58...	275.00	13.13	261.87
Balance remaining for future years. ...	597.36	7.37	589.99

vbk/11.

Transfer of the Assets and Liabilities of the Bombay Electricity Board to Mysore State.

- - -

Under Section 106 of the States Reorganisation Act, the State Electricity Board of Bombay has continued to function in the areas which now form part of Mysore and in respect of which it was functioning prior to 1-11-1956. A provision has been made in the said Section according to which the Board will be deemed to be dissolved with effect from 1-11-1957, or on such earlier date as the Central Government may by order appoint; and upon such dissolution, the assets and liabilities of the Board will be apportioned between the successor states in such manner as may be agreed upon within one year of the dissolution of the Board, or if no agreement is reached, in such manner as the Central Government may by order determine.

Representations have been received from the people of the areas which the Bombay Electricity Board is serving at present to the effect that the electricity system in that area should be taken over by the Mysore Electrical Department as early as possible. It has also been considered administratively desirable to ask for the dissolution of the Bombay Electricity Board even in advance of the date mentioned in Section 106 of the States Reorganisation act, namely, 1-11-1957. Accordingly the Chief Minister addressed letters to the Chief Minister of Bombay and the Union Minister for Irrigation and Power suggesting that early steps be taken to transfer the assets and liabilities of the Bombay Electricity Board in respect of the Bombay-Karnatak

area to the Mysore State. On the basis of the preliminary correspondence between the Governments concerned and the Government of India, an Inter-State Conference consisting of the representatives of the Government of India, the Governments of Bombay and Madhya Pradesh and the Bombay Electricity Board was held at Bombay during the middle of February 1957 in order to discuss the principles and procedure for the allocation of the assets and liabilities of the Bombay Electricity Board amongst the States concerned. The detailed proceedings of the Conference are placed in the file. The main conclusions reached are set out below:-

1) The existing Bombay Electricity Board should be dissolved with effect from 1-4-1957.

2) Fixed assets such as lands, buildings, installed machinery, transmission lines etc. should be divided on the principle of "as is where is."

3) Stores and moveables should go along with the schemes to which they pertain.

4) Cash balances held by the Board in the Banks, Treasuries etc. should pass to the State in which the Banks treasuries etc. are located, sucbject to financial adjustments so as to cover the gap between the assets and liabilities on the one hand assets and losses on the other.

5) Loan liabilities (including interest on capital during construction) will be apportioned on the basis of capital assets on the schemes transferred to each region.

6) Depreciation and current liabilities including deposits would be transferred along with capital assets on the basis of actuals.

7) Provident Fund amounts will be transferred in respect of the members of the state transferred.

8) Contract liabilities will follow the schemes in respect of which contracts have been entered into.

9) As regards personnel, localised staff will go along with the schemes and allocation of

common personnel may be as agreed upon between the Board and the Government of Mysore. [A list of officers who would be transferred to Mysore was prepared by the Bombay Board during the conference and has since been agreed to by the Chief Engineer, Electricity. The number of persons transferred is less than the number of posts transferred.]

These are ~~the~~ agreed conclusions reached at the conference in the presence of the Government of India's representatives. It was also agreed that the Government of India would take necessary steps to issue a notification dissolving the Bombay Electricity Board on being informed by the two Governments to that effect.

There was only one point in regard to which a difference of opinion arose between the Representatives of Bombay and Mysore Governments. This relates to the sharing of the losses ~~of~~ in the revenue deficit in respect of several schemes. In regard to this, the Mysore Government representatives put forward the view that the revenue deficit should be allocated on the proportion of the capital expenditure in the two areas. The representatives of Bombay Government suggested, on the other hand, that it should be apportioned scheme-wise. It was ascertained that if the revenue deficit is to be allocated scheme-wise, Mysore would have to take over a liability of Rs.25 lakhs for the period from 6-11-1954 (the date of the constitution of the Bombay Electricity Board) to the date of the dissolution of the Board, whereas if ~~the~~ it were allocated in the proportion of capital assets over the same period, Mysore's share ~~of the~~ would be Rs.5.58 lakhs. It was then pointed out on behalf of the Bombay Government that on the basis

of the principle put forward by the Mysore Government's representatives, Mysore would also have to take over a portion of the revenue deficit prior to the formation of the Bombay Electricity Board, which will be declared by the Government of Bombay, and that Mysore's share of this would be Rs.13.5 lakhs, bringing the total Mysore share of the revenue deficit to Rs.19.08 lakhs. The Representatives of the Government of Bombay and the Bombay Electricity Board thereupon suggested a compromise formula as below:-

> "....while the revenue deficits upto the 6th November 1954 may be allocated entirely to the Bombay State Electricity Board, the deficits arising subsequent to that date may be divided on an ad hoc basis, the share of each party being the average of the following two amounts, namely:-
>
> (i) the pro rata share of the total net deficit calculated in proportion to the capital assets allocated to that party, and
>
> (ii) the aggregate amount of the net deficits pertaining to the schemes going to that party after allowing for the surpluses, if any."

This formula results in Mysore taking over a liability of about Rs.15.25 lakhs as against Rs.19 lakhs according to assetwise allocation. It was agreed at the conference that this compromise solution will be placed before the respective Governments for consideration.

This particular question on which there was no ~~final~~ agreed decision has since been examined in the States Reorganisation and Finance Departments here. The States Reorganisation Department has pointed out that even if the increased liability of Rs.19 lakhs is taken over, it would be more than compensated by the share of the general assets of

of the former Bombay State of which Mysore would get 14½% on the population basis. The States Reorganisation Department has come to ~~that~~ his conclusion by accepting the compromise suggested by the Bombay Government, we would ultimately be accepting an additional liability of more than Rs.10 lakhs, taking into account the allocation of general assets and liabilities also. The Financial Secretary has noted as follows:-

> " I agree with the Secretary S.R.D. So long as all the units have been worked by the Board as one undertaking the profits or losses cannot be strictly taken with reference to each scheme. We can agree to share the losses with reference to the capital assets taken over. The loss thus taken over will get reduced to the extent of assets which we can claim from the loan of Rs.81 lakhs given by the Government of Bombay to the Electricity Board. Either we will acquire the right of recovery of the proportionate loan transferred to us or we can claim a proportionate share of the assets pertaining to this loan."

The Government of Bombay have ratified all the conclusions reached at the Inter-State Conference and have asked that this Government do likewise. Orders are therefore required on the following points:-

1) Agreeing to the transfer of assets and liabilities of the Bombay Electricity Board with effect from 1-4-1957.

2) Ratification of the principles of allocation of assets and liabilities, except in regard to the revenue deficit, which will be shared on the basis of capital assets and not in accordance with the compromise formula suggested at the conference.

3) Allocation of personnel of the Board in accordance with the lists agreed to between the Board and the Chief Engineer, Electricity.

(D.K.Srinivasachar)
SECRETARY TO GOVERNMENT
ELECTRICAL DEPARTMENT.

Council Case No. C.137/28-57.

Date 27-3-1957.

FOR CONSIDERATION AT
A MEETING OF THE COUNCIL.

Council Note circulated for information.

o/c

Dy. ~~Asst~~ Secy.,
Chief Secretariat.

S E C R E T. P.W.D. 14

COUNCIL NOTE.

SUBJECT:- Transfer of the Assets and Liabilities of the Bombay Electricity Board to Mysore State.

Under Section 106 of the States Re-organisation Act, the State Electricity Board of Bombay has continued to function in the areas which now form part of Mysore and in respect of which it was functioning prior to 1-11-1956. A provision has been made in the said Section according to which the Board will be deemed to be dissolved with effect from 1-11-1957, or on such earlier date as the Central Government may be order appoint; and upon such dissolution, the assets and liabilities of the Board will be apportioned between the successor States in such manner as may be agreed upon within one year of the dissolution of the Board, or if no agreement is reached, in such manner as the Central Government may by order determine.

2. Representations have been received from the people of the areas which the Bombay Electricity Board is serving at present to the effect that the electricity system in that area should be taken over by the Mysore Electrical Department as early as possible. It has also been considered administratively desirable to ask for the dissolution of the Bombay Electricity Board even in advance of the date mentioned in Section 106 of the States Re-organisation Act, namely, 1-11-1957. Accordingly the Chief Minister addressed letters to the Chief Minister of Bombay and the Union Minister for Irrigation and Power suggesting that early steps be taken to transfer the assets and liabilities of the Bombay Electricity Board in respect of the Bombay-Karnatak area to the Mysore State. On the basis of the preliminary correspondence between the Governments concerned and the Government of India, an Inter-State Conference consisting of the representatives of the Government of India, the Governments of Bombay and Madya Pradesh and the Bombay Electricity Board was held at Bombay during the middle of February 1957 in order to discuss the principles and procedure for the allocation of the assets and liabilities of Bombay Electricity Board among the States concerned. The detailed proceedings of the Conference are placed in the file. The main conclusions reached are set out below:-

(1) The existing Bombay Electricity Board should be dissolved with effect from 1-4-1957.

(2) Fixed assets such as lands, buildings, installed machinery, transmission lines, etc., should be divided on the principle of "as is where is."

(3) Stores and moveables should go along with the schemes to which they pertain.

(4) Cash balances held by the Board in the Banks, Treasuries, etc., should pass to the State in which the Banks, Treasuries, etc., are located, subject to financial adjustments so as to cover the gap between the assets and liabilities on the one hand, assets and losses on the other.

(5) Loan liabilities (including interest on capital during construction) will be apportioned on the basis of capital assets on the schemes transferred to each region.

(6) Depreciation and current liabilities including deposits would be transferred along with capital assets on the basis of actuals.

..... 2

(7) Provident Fund amounts will be transferred in respect of the members of the State transferred.

(8) Contract liabilities will follow the schemes in respect of which contracts have been entered into.

(9) As regards personnel, localised staff will go along with the schemes and allocation of common personnel may be as agreed upon between the Board and the Government of Mysore. (A list of officers who would be transferred to Mysore was prepared by the Bombay Board during the conference and has since been agreed to by the Chief Engineer, Electricity. The number of persons transferred is less than the number of posts transferred).

3. These are agreed conclusions reached at the Conference in the presence of the Government of India's representatives. It was also agreed that the Government of India would take necessary steps to issue a notification dissolving the Bombay Electricity Board on being informed by the two Governments to that effect.

4. There was only one point in regard to which a difference of opinion arose between the representatives of Bombay and Mysore Governments. This relates to the sharing of the losses or the revenue deficit in respect of several schemes. In regard to this, the Mysore Government representatives put forward the view that the revenue deficit should be allocated on the proportion of the capital expenditure in the two areas. The representatives of Bombay Government suggested, on the other hand, that it should be apportioned scheme-wise. It was ascertained that if the revenue deficit is to be allocated scheme-wise, Mysore would have to take over a liability of Rs.25 lakhs for the period from 6-11-1954 (the date of the constitution of the Bombay Electricity Board) to the date of the dissolution of the Board, whereas if it were allocated in the proportion of capital assets over the same period, Mysore's share would be Rs.5.58 lakhs. It was then pointed out on behalf of the Bombay Government that on the basis of the principle put forward by the Mysore Government's representatives, Mysore would also have to take over a portion of the revenue deficit prior to the formation of the Bombay Electricity Board, which will be declared by the Government of Bombay, and that Mysore's share of this amount would be Rs.13.5 lakhs, bringing the total Mysore share of the revenue deficit to Rs.19.08 lakhs. The representatives of the Government of Bombay and the Bombay Electricity Board thereupon suggested a compromise formula as below.-

> ".....while the revenue deficits upto the 6th November 1954 may be allocated entirely to the Bombay State Electricity Board, the deficits arising subsequent to that date may be divided on an ad hoc basis, the share of each party being the average of the following two amounts, namely:-
>
> (i) the pro rata share of the total net deficit calculated in proportion to the capital assets allocated to that party, and
>
> (ii) the aggregate amount of the net deficits pertaining to the shhemes going to that party after allowing for the surplusses, if any."

This formula results in Mysore taking over a liability of about

..... 3

about 15.25 lakhs as against Rs.19 lakhs according to assetwise allocation. It was agreed at the Conference that this compromise solution will be placed before the respective Governments for consideration.

5. This particular question on which there was no agreed decision has since been examined in the States Re-organisation and Finance Departments here. The State Re-organisation Department has pointed out that even if the increased liability of Rs.19 lakhs is taken over, it would be more than compensated by the share of the general assets of the former Bombay State of which Mysore would get 14½ per cent on the population basis. The States Re-organisation Department has come to the conclusion by accepting the compromise suggested by the Bombay Government, we would ultimately be accepting an additional liability of more than Rs.10 lakhs, taking into account the allocation of general assets and liabilities also. The Financial Secretary has noted as follows:-

> " I agree with the Secretary, S.R.D. So long as all the units have been worked by the Board as one undertaking, the profits or losses cannot be strictly taken with reference to each scheme. We can agree to share the losses with reference to the capital assets taken over. The loss thus taken over will get reduced to the extent of assets which we can claim from the loan of Rs.81 lakhs given by the Government of Bombay to the Electricity Board. Either wee will acquire the right of recovery of the proportionate loan transferred to us or we can claim a proportionate share of the assets pertaining to this loan."

6. The Government of Bombay have ratified all the conclusions reached at the Inter-State Conference and have asked that this Government do likewise. Orders are therefore required on the following points:-

(1) Agreeing to the transfer of assets and liabilities of the Bombay Electricity Board with effect from 1-4-1957.

(2) Ratification of the principles of allocation of assets and liabilities, except in regard to the revenue deficit, which will be shared on the basis of capital assets and not in accordance with the compromise formula suggested at the Conference.

(3) Allocation of personnel of the Board in accordance with the lists agreed to between the Board and the Chief Engineer, Electricity.

D.K. Srinivasachar
27.3.57

(D.K.Srinivasachar),
cretary to Government,
lectrical Department.

BRN/27-3-57.

17

IMMEDIATE.

No. SRA 1057-K,
Industries and Cooperation Department
Old Secretariat Building, Fort,
Bombay No.1, 26 March 1957.

From

The Deputy Secretary to the Government of Bombay,
Industries and Cooperation Department.

To

Shri K. Balasubramanyam, IAS.,
Special Secretary to Government of Mysore,
BANGALORE.

Subject:- Reconstitution of and principles for the division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

Sir,

In continuation of this Government letter, Industries and Cooperation Department, No. SRA 1057-K, dated the March 1957, on the subject mentioned above, I am directed to state that a meeting of the representatives of the Government of India, Bombay, Mysore, Madhya Pradesh and Rajasthan was held on 17th and 18th February 1957, to discuss the principles of division of assets and liabilities of the ~~Boards~~ Bombay Electricity Board and the Madhya Pradesh Electricity Board, and the following decisions were taken in respect of the ~~decisions~~ of assets and liabilities of the Bombay Electricity Board between the new Madhya Pradesh Electricity Board (to be formed) and the Bombay State Electricity Board, viz. -

I - ASSETS.

(a) Fixed Assets: Fixed assets such as lands and buildings, installed machinery, transmission lines, etc., should be divided on the principles of "as is where is" on the date of the dissolution of the Board.

(b) Stores and movables:-

(i) Stores and accessories should go with the schemes to which they pertain. There are no central stores, except some steel for fabrication. This quality of steel should be divided according to schemes for which it was indented.

(ii) Tools, equipment, vehicles and all other movables should go according to their situation.

(c) Investments and cash balances:

The cash balances held by the Board in any bank, treasury or sub-treasury in Bombay.Karnatak area immediately before its dissolution should pass to the Government of Mysore together with a suitable payment on an approximate ad hoc basis in anticipation of the financial adjustment under paragraph (d).

(d).....

(d) Financial adjustments:

The above allocation should be subject to a financial adjustment so as to cover the gap between the total of capital and liabilities on the one hand and total of assets and losses on the other.

(e) Advances:

Advances should be apportioned on the basis of actuals for the respective areas.

II - LIABILITIES:-

(a) Loans:

Loans should be divided on the following basis:-

(i) Loans on account of capital work, including the loans as on 6th November 1954 declared by the Government of Bombay should be allocated on the basis of the capital assets of the schemes transferred to each region.

(ii) Interest during construction should be transferred in relation to capital assets on the basis of actuals.

(iii) Other arrears of interest, if any, payable to Government should be split up as between the period prior to the formation of the Board and the period subsequent to it. Interest accrued for the period upto the formation of the Board should be included in the loan to be declared by Government and should be divided on the basis of the capital assets of the schemes. Interest accrued after the formation of the Board should be calculated schemewise and transferred accordingly.

Under item (i) the loans declared at the time of formation of the Board should be divided according to the portion attributable to each scheme and the loans received thereafter and utilised should be divided according to the capital assets of the schemes for which they were used.

(iv) Revenue deficit after providing for interest on capital and for depreciation:

It should be recommended to the respective Government that while the revenue deficits upto the 6th November 1954 may be allocated entirely to the Bombay State Electricity Board the deficits arising subsequent to that date may be divided on an ad hoc basis, the share of each party being the average of the following two amounts, namely :-

(i) the pro rata share of the total net deficit calculated in proportion to the capital assets allocated to that party, and

(ii) the aggregate amount of the net deficits pertaining to the schemes going to that party after allowing for the suppluses, if any.

(iii).....

(iii) The untilised part of the loans drawn by the Board should be divided in porportion to the uncovered portion of expenditure sanctioned for the period upto the 31st of March 1957 in respect of the schemes for the purposes of which the loans were advanced to the Board.

(b) Depreciation and current liabilities including deposits:-

These should be transferred along with capital assets on the basis of actuals.

(c) Provident Fund:

The provident fund accounts should be transferred in respect of the members of the staff transferred along with the proportionate share of investments in this behalf.

Note:- Government of Bombay confirmed that there was no general reserve or pensior fund with the Bombay Electricity Board.

(d) Contract liabilities:

Contract liabilities should follow the schemes in respect of which contracts were entered into. In the case of common contracts liabilities should initially be of the Bombay Electricity Board but if stores are required by the Mysore Government for their schemes, they should be transferred to that Government in relation to the quantities indented for the schemes, on payment by a separate transaction. Financial adjustments on account of stores delivered under common contracts but not paid for should be made on the basis that stores supplied for the purposes of schemes in Mysore areas, should be paid for by the Government of Mysore.

III - PERSONNEL.

Localised staff should go where it is along with the schemes. Allocation of common personnel should be such as may be agreed upon between the Board and the Government of Mysore.

2. I am to state that the Bombay Government hereby declares its consent to the above principles being accepted. I am, however, to request you to convey similar consent of your Government to this Government and the Government of India, Ministry of Irrigation & Power.

Yours faithfully,

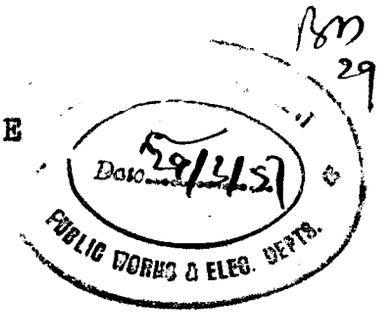
26/3

Deputy Secretary to the Government of Bom
Industries and Cooperation Department.

EXPRESS STATE

TO

PUBLIC WORKS SECRETARY
GOVERNMENT OF MYSORE
BANGALORE



YOUR TELEGRAM DATED TWENTYFIFTH MARCH (.) AS BOTH BOMBAY AND MYSORE GOVERNMENTS AGREED ON DISSOLUTION OF BOMBAY ELECTRICITY BOARD FROM FIRST APRIL IT IS PROPOSED TO ISSUE NOTIFICATION TO THAT EFFECT (.) ANY DELAY IN RATIFICATION OF CONCLUSIONS REACHED AT BOMBAY CONFERENCE AND SETTLING RESIDUARY MATTERS WILL CREATE DIFFICULTIES (.) WOULD THEREFORE ADVISE VERY EARLY RATIFICATION BY BOTH GOVERNMENTS

HARI SHARMA HOME

.....

Ministry of Home Affairs,
New Delhi
dated 26th March 1957.

Copy by post in confirmation.

(I. S. Shivpuri)
P.S.to J.S.S.R.

THE WISE PERSON'S INVESTMENT BUY NATIONAL SAVINGS CERTIFICATES

C.-3.

Seen Rec'd. at 4.30 P.M. 29/3/57

MYSORE GOVERNMENT SECRETARIAT NO. E.T.C. 29 MAR 1957 PUBLIC WORKS BRANCH

SECRETARY TO GOVERNMENT PUBLIC WORKS ELEC. BRANCH Date 29/3/57

THE WISE PERSON'S INVESTMENT BUY NATIONAL SAVINGS CERTIFICATES

GTO BANGALORE 29 MAR 57

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

No. Bom 29 3/57 BM 29/3

Received here at.....H.....M.

X YH NEW DELHI 28 STE LFDEST 31 PUBLIC WORKS SECRETAR

MYSORE GOVERNMENT BANGALORE=

REFERENCE HOME MINISTRY TELEGRAM DATED TWENTYSIXTH MARC

STOP NOTIFICATION DISSOLVING EXISTING BOMBAY ELECTRICIT

BOARD WITH EFFECT FROM APRIL FIGST ISSUED= IRRIGPOWER

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in serial number (in the case of foreign telegrams only), office of origin, date, service instruction (if any) and number of words.

This form must accompany any enquiry respecting this telegram.

CPW Ms-21—19-1-56—15,500 Books

NO PWD 8 SCB 57

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22

D.K.Srinivasachar, I.A.S.
Secretary to Government,
P.W. & Electrical Dept.

Mysore Government Secretariat
Dated Bangalore 30th March 1957

Dear Sri. D'Sa,

Please refer to the discussions that were held at Bombay last month in regard to the transfer of the assets and liabilities of the Bombay Electricity Board in Bombay-Karnatak area of Mysore. Government have approved of the transfer with effect from 1-4-1957. I am to request you kindly to take necessary action in this behalf. A notification from the Government of India is expected to issue in this connection dissolving the Bombay Electricity Board. A telegram has actually been received stating that a notification has issued.

Yours sincerely,

Shri. J.L.D'Sa, B.E.,
Chief Engineer, Electricity,
Bangalore.

PWD 8 SEB 57

D.O.No.EL.II.307(7)/56.

GOVERNMENT OF INDIA.

MINISTRY OF IRRIGATION AND POWER.

R.R. Bahl, I.C.S.,
Joint Secretary.

New Delhi, the 5th/6th April 1957.

SECRETARY TO GOVERNMENT
Date 9/4/57
PUBLIC WORKS

1542
9 APR 1957
ELECTRICAL BRANCH

My dear Srinivasachar,

I am desired to invite reference to the Government of India Notification No. EL.II.307(7)/56 dated the 28th March, 1957, dissolving the Bombay, Madhya Pradesh and Saurashtra Electricity Boards (as they existed before the 1st day of November, 1956), and to say that from the provisions of sub-section (3) of section 106 of the States Re-organisation Act, it would be observed that on the dissolution of the Bombay Electricity Board, its assets and liabilities are to be apportioned between the Governments of Bombay and Mysore, in a manner to be agreed between them, within one year of the dissolution of the Board. In the interest of the electrical development in the areas transferred from one State to another as a result of the re-organisation of the States it seems desirable that the assets and liabilities therein are taken over by the new State Governments or the Electricity Boards concerned as early as possible. The Government of Bombay, vide their letter No. SRA 1057-K dated the 26th March, 1957, addressed to the Government of Mysore, have already conveyed their acceptance to the principles governing the apportionment of the assets and liabilities, as agreed to at the inter-State meeting held in Bombay on the 17th and 18th February, last. I am to request that the Government of Mysore may also expedite their decision in regard to the aforementioned matter.

2. I am to add that after such an agreement has been reached between the State Governments concerned, an order under section 106(3) (b) of the States Re-organisation Act, will be issued by the Central Government, if necessary, in relation to the matters in respect of which there is a difference or dispute between the State Governments concerned.

3. I am further to say that the Government of India has been advised to issue a statutory order under sub section(3) of section 106 of the States Reorganisation Act, 1956, in respect of the contractual liabilities of the Boards and the legal proceedings by or against them. I am, therefore, to request that the question of the distribution of the contractual liabilities of the dissolved Bombay State Electricity Board be examined by the Government of Mysore in consultation with the Government of Bombay, and a suitable draft order to be issued by the Central Government in this regard, suggested at an early date.

Yours sincerely,

Shri D.K.Srinivasachar, IAS,
Secy. to the Govt. of Mysore,
Electricity Dept., Bangalore.

24)

Seen

Telephone No. 2110
Telegraphic Address: "GOMED"
In Reply Refer to
No. 1005
Enclo.

CODES USED:
BENTLEY'S LIEBER'S
A. B. C. 6th EDITION
BUSINESS TELEGRAPH CODE

MYSORE GOVERNMENT SECRETARIAT
No. ES 57
- 4 APR 1957
PUBLIC WORKS BRANCH

GOVERNMENT OF MYSORE
ELECTRICITY DEPARTMENT

OFFICE OF THE
CHIEF ENGINEER, ELECTRICITY
Post Bag No. 15

Bangalore-1, 4 April 1957
(Mysore, S. India)

SECRETARY TO GOVERNMENT
100
Date 4-4-57
PUBLIC WORKS

OFFICE OF THE CHIEF ENGINEER PUBLIC WORKS
No. E. 16
5 - APR 1957
BANGALORE

The Secretary to Government,
Electrical Department,
B A N G A L O R E.

Sir,

Ref: Your D.O.No.PWD8SEB57, d/30-3-1957.
Subject:- Take over of Jog-Karnatak Electric Grid Schemes from Bombay Electricity Board.

As reported earlier the Operation & Maintenance of the Jog-Karnatak grid scheme has been taken over by this department as from the morning of the 1st of April 1957. Now that the operation and maintenance of all the works may be continued without any sudden change it was agreed that the personnel who had opted out would remain in their positions till such time as we replace them by persons of the department.

No previous report has been received so far 4/4/57

A consolidated list of officials sanctioned by the Bombay Electricity Board for Operation & Maintenance works in the area is being got ready. As agreed to earlier the make-up personnel for such of those opting out of the State will be posted by me immediately and at the earliest possible time in order to see that the personnel retained by the Board do not continue for a period longer than desired by them. For positions like Drivers, etc., it is proposed to select from among the local talent suitable for the job by advertising in the local papers.

The tariffs and other mode of billing etc., will be the same as existing in the area prior to 1-4-1957. The accounting and stores procedure however is being got changed over to that prevailing in the rest of the State for which purpose special staff has been deputed

I request approval of Government for the above.

Yours faithfully,

(J.L.D'Sa),
Chief Engineer, Electricity.

for perusal in w/ first instance

Minr. PW 11/4 Time (Secy PWD) 4/4/57

BM 12/4/57

(contd.

8) The only point for consideration in this case is whether the losses sustained by the Bombay Electricity Board from its inception up to 31-3-1957 may be apportioned between the Govt. of Mysore and the Electricity Board for the new State of Bombay on the basis of actual losses sustained in respect of the Schemes taken over by this Board or whether the losses should be treated as the liability of the entire Board irrespective of the schemes and divided in proportion to the value of capital assets transferred to each. The stand of the Bombay Electric Board is that as separate accounts for each scheme have been maintained and the losses sustained in respect of each are readily ascertainable, the losses for each scheme s go with the scheme and that there is no necessity for t losses being shared in proportion to the value of capit assets. As an inducement to this Government to accept proposal there has been a suggestion that though the q of Bombay Government debiting to the Board the interes losses, if any, for the period prior to the formation of the Board in respe the Electricity Undertakings transferred to the Board and this liability may be as much s Rs. the Electricity Board for the new State of Bomby wo over this entire liability if the Mysore Goverment the compromise formula suggested by Bombay. Accordi formula, the liability of the Govt. of Mysore would be average of the liability which we are prepared to accep about Rs.5⅓ lakhs on the basis of the distributi of in proportion to the valuo of capital assets and Rs.3/- lkh which would be our share if the schemewise distputi is accepted. On the basis of the Bombay formula o liallit be about Rs.19/- lakhs as against Rs.5⅓ lakhs ch w are parod to accept.

9) There is nothing in the Electricity(Supp Act of 19 under which the Bombay Electricity Board was stitted t justify the proposal of Bombay that the loss should go a with the schemes to which they relate. All schemes un

tak

undertaken by the Board have to be treated as one single unit for determination of the profit and loss. The very object of constituting the Board is to ensure promotion of the coordinated development of the generation, supply and distribution of electricity within the State in the most efficient and economical manner, with particular reference to such development in areas not for the time being served or inadequately served by any licensee. The Board had, therefore, to consider all its activities as one unit, especially as one of its specific duties to develop supply of electricity in areas which are inadequately served. As the Board was just fulfilling its statutory functions by undertaking developmental works in -Karnatak area, its claim that the losses resulting from schemes should be taken over fully by Mysore is untenable. this connection it would be worth the while to examine would be affected if the Bombay Government raise a demand further sum of Rs.81/- lakhs against the Bombay Electricity in respect of the interest on capital during the maintenance ration period and losses sustained prior to the formation Board Consistently with our stand that the losses sustained afterthe formation of the Board should not be divided schemewise but should be divided in proportion to the value pital assets transferred to each State, we will have to agree aro the additional demand of Rs.81 lakhs also, though few es were in operation in Karnatak area during the period to thisdemand relates. Our share would roughly be one-sixth .81/-lakhs or 13½ lakhs. The question is whether the t of More will get 14½% of the additional asset of Rs.81/- hs which accrues to the Bombay State when the demand for ert due the maintenance and operation and losses prior theformation of the Board is raised. This depends on the terpretation whether the amount which is declared by the ernment under Sec.60(2) of the Electricity(Supply) Act 1948 to be treated as a loan covered by Sec.79 of the S.R.Act or capital outlay on Electricity Schemes. Under Sec.60(2) of Electricity(Supply) Act the amount declared by the State

PWD 8 SEB 57

25

Telephone No. 2110
Telegraphic Address: "GOMED"
In Reply Refer to
No. 1111
Enclo. Proceedings in dup:
CODES USED: 1 Letter.
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A. B. C. 6th EDITION
BUSINESS TELEGRAPH CODE

MYSORE GOVERNMENT SECRETARIAT
No. ED 40
- 6 APR 1957
PUBLIC WORKS BRANCH

GOVERNMENT OF MYSORE
ELECTRICITY DEPARTMENT

OFFICE OF THE
CHIEF ENGINEER, ELECTRICITY
Post Bag No. 15

Bangalore-1, 6 April 1957
(Mysore, S. India)

1546
9 APR 1957
ELECTRICAL BRANCH

SECRETARY TO GOVERNMENT
No. 9/4/57
PUBLIC WORKS & ELEC.

The Secretary to Government,
Electrical Department,
BANGALORE.

Sir,

Subject:- Take-over of Jog-Karnatak area
from Bombay Electricity Board.

In continuation of this office letter No.1005 dated the 4th of April 1957, I am enclosing herewith two copies of the proceedings of the meeting held at Hubli on the afternoon of 31st March 1957, as also my original letter dated 1-4-1957 reporting the take-over of Bombay Electricity Board activities on the morning of 1st April 1957, which was inadvertantly delayed in the office of the Executive Engineer (Electrical) Hubli. The Executive Engineer has been cautioned to avoid repetition of such delays in future.

Yours faithfully,

(J.L.D'Sa),
Chief Engineer, Electricity.

Sey

PWD 8 SEB 57

Telephone No. 2110
Telegraphic Address: "GOMED"
No 1710
Enclo.

MYSORE GOVERNMENT SECRETARIAT (E) No. 10 - 6 APR 1957 PUBLIC WORKS BRANCH

GOVERNMENT OF MYSORE
ELECTRICAL DEPARTMENT

Office of the Chief Engineer, Electricity
Post Bag No. 15

Bangalore-1 6 April 195 7
(MYSORE, S. INDIA)

SECRETARY TO GOVERNMENT Dated 9/4/57 PUBLIC WORKS & ELEC. DEPTT.

The Secretary to the
Government of Mysore,
Electrical Department,
B A N G A L O R E.

Sir,

GOVT. 1545 9 APR 1957 ELECTRICAL BRANCH

Sub:- Take-over of Jog-Karnatak area from Bombay Electricity Board.

I write to inform you that under directions of Government the schemes coming within the Karnatak area now operated by the Bombay Electricity Board have been taken over charge as from the morning of 1st April 1957. A detailed charge report from the Executive Engineer (Elecl.) Hubli Division, will follow.

Yours faithfully,

1/4/57

(J.L.D'Sa),
Chief Engineer, Electricity.

Proceedings of the meeting held in the office of the Executive Engineer, Operation & Maintenance (Electrical) on Sunday the 31st March, 1957.

Present:- Sri J.L.D'Sa, Chief Engineer (Electricity) Govt.of Mysore.
" R.P.Patel, Superintending Engineer, Bombay Electricity
" A.V.Subramanyam, Executive Engineer, -do- Board
" Fazlul Haque, Executive Engineer (Elecl.)

Staff position:- In accordance with the directions received from the Chairman, Bombay Electricity Board, it was agreed to retain the staff now working in the Hubli Division till such time as equivalent personnel get posted by Mysore. The staff under mutual transfer by the Bombay Electricity Board will go according to the schedule now laid out by the Board and mutual transfers will be effected under intimation to the Executive Engineer (Electrical) Hubli.

With regard to postings of new personnel by the Mysore Electrical Department against personnel of the Board retained by the Electrical Department, a copy of the posting order will be sent to the Chief Engineer, Bombay Electricity Board indicating the type of persons posted, in order to enable the Board to find suitable vacancies for such persons who will be returned to the Board.

It is requested that the Board, on receipt of posting orders, indicate to the person the place where he has to report for duty; joining time of 7 days may be required for the personnel to take charge from the personnel retained by the Board.

The following personnel will have to be posted to Hubli Division to make up for the vacancies created by persons opting out of the Karnatak area:-

1)	Executive Engineer ...	1
2)	Dy.Executive Engineers (Asst.Engrs)	2
3)	Assistant Engineers ...	3
4)	Cable Jointer ...	1
5)	Sub-Engineer ...	4
6)	Assistant Operators, Senior ..	1
7)	-do- Junior ..	1
8)	Line Inspectors ...	5
9)	Power House Foremen ...	2
10)	Engine Drivers ...	10
11)	Linemen ...	13
12)	Line Helpers ...	9
13)	Meter Readers ...	3
14)	Sub-Station Helpers ...	4
15)	Electricians ...	4
16)	Jeep Driver ...	1
17)	Typist ...	1
18)	Junior Draftsmen ...	2
19)	Firemen ...	3
20)	Fitter ...	1

C.O. ——7Ex

	B.F.	71
21) Audit Clerks	...	2
22) Accounts Assistant	...	1
23) Senior Accounts Clerks	...	2
24) Junior Clerks	...	4
25) Store Keepers	...	4
	Total.	84

less thirteen due to personnel opting in.

Stock position:- The stocks are being verified in the sections and sub-sections and a correct indication of the physical stock balance is available in most sub-sections except in Hubli Sub-station.

Inasmuch as the Store Keepers in the several places will be continued until such time as replacement personnel are posted, these stores will be taken on the basis of the opening balance as on 1st of April 1957, they having been certified by the Sectional Officers at each place. The valuation of these stores will be according to the book values.

The Executive Engineer, Mysore Electrical Department, Hubli has been directed to take over charge of cash, stores and the schemes belonging to the Bombay Electricity Board in the Karnatak area from the Executive Engineer (Electrical), Bombay Electricity Board tomorrow the 1st of April 1957 (morning).

R. S. Patil 31/3/57
Superintending Engineer,
Bombay Electricity Board

31/3/57
Chief Engineer (Electricity)
Government of Mysore.

Hubli,
31st March 1957.)

Proceedings of the meeting held in the office of the Executive Engineer, Operation & Maintenance (Electrical) on Monday the 21st March, 1957.

Present:- Sri J.L.D'Sa, Chief Engineer (Electricity) Govt.of Mysore.
" R.P.Patel, Superintending Engineer, Bombay Electricity
" A.V.Subramanyam, Executive Engineer, -do- Board
" Fazlul Haque, Executive Engineer (Elect.)

Staff position:- In accordance with the directions received from the Chairman, Bombay Electricity Board, it was agreed to retain the staff now working in the Hubli Division till such time as equivalent personnel are posted by Mysore. The staff under mutual transfer by the Bombay Electricity Board will go according to the schedule now laid out by the Board and mutual transfers will be effected under intimation to the Executive Engineer (Electrical) Hubli.

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It is requested that the Board, on receipt of posting orders, indicate to the person the place where he has to report for duty; joining time of 7 days may be required for the personnel to take charge from the personnel retained by the Board.

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2)	Dy.Executive Engineers (Asst.Engrs)	2
3)	Assistant Engineers ...	3
4)	Cable Jointer ...	1
5)	Sub-Engineers ...	4
6)	Assistant Operators, Senior ..	1
7)	-do- Junior ..	1
8)	Line Inspectors ...	6
9)	Power House Foremen ...	2
10)	Engine Drivers ...	10
11)	Linemen ...	13
12)	Line Helpers ...	3
13)	Meter Readers ...	2
14)	Sub-Station Helpers ...	4
15)	Electricians ...	4
16)	Jeep Driver ...	1
17)	Typist ...	1
18)	Junior Draftsmen ...	2
19)	Firemen	3
20)	Fitter ... C.O.	1
		71

	B.F.	71
21) Audit Clerks ...		8
22) Accounts Assistant ...		1
23) Senior Accounts Clerks ...		2
24) Junior Clerks ...		4
25) Store Keepers ...		4
Total.		84

leave thirteen due to personnel opting in.

Stock position:- The stocks are being verified in the sections and sub-sections and a correct indication of the physical stock balance is available in most sub-sections except in Hubli Sub-station.

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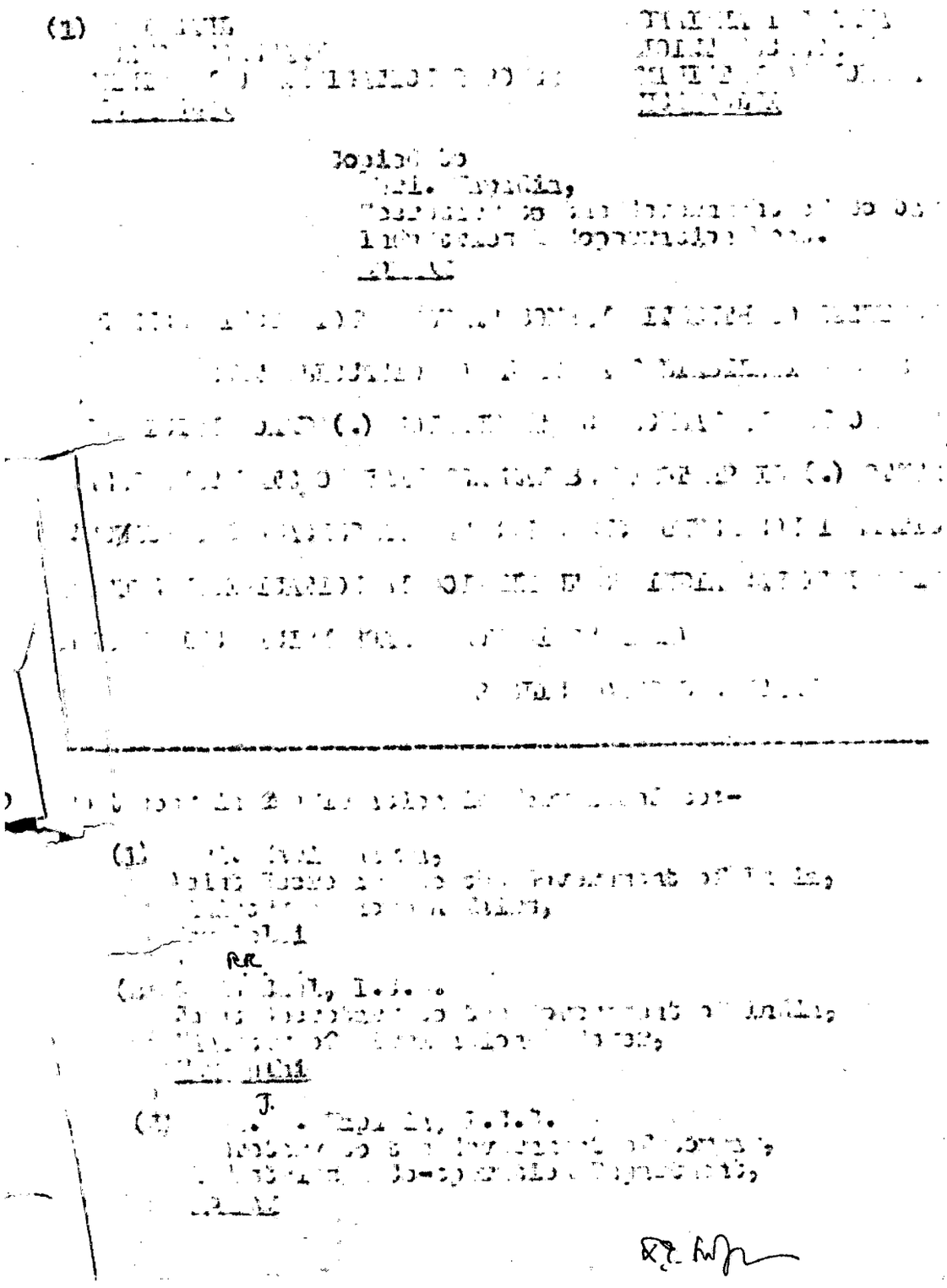
R.P. Patil 31/3/57
Superintending Engineer,
Bombay Electricity Board

31/3/57
Chief Engineer (Electricity)
Government of Mysore.

Hubli,
31st March 1957.



EXPRESS TELEGRAM

SHRI KAPADIA
SECRETARY TO GOVERNMENT
INDUSTRIES DEPARTMENT
BOMBAY

SHRIYUTS HARI SHARMA AND BAHL TELEGRAPHED AS FOLLOWS:-

REFERENCE DISCUSSIONS HELD AT BOMBAY FIFTEENTH TO EIGHTEENTH FEBRUARY ABOUT ALLOCATION OF ASSETS AND LIABILITIES OF BOMBAY ELECTRICITY BOARD (.) GOVERNMENTS OF BOMBAY AND MYSORE ARE AGREED THAT DATE OF TRANSFER MAY BE FIRST APRIL (.) OTHER CONCLUSIONS REACHED AT THE CONFERENCE UNDER CONSIDERATION (?) PRESUME NOTIFICATION BY GOVERNMENT OF INDIA CAN ISSUE DISSOLVING BOMBAY ELECTRICITY BOARD FROM FIRST APRIL

PUBLIC WORKS SECRETARY

Not to be telegraphed

Issued 25/3

Secretary to Government,
Public Works Department.

(2) SHRI BAHL
JOINT SECRETARY
MINISTRY OF [illegible]
NEW DELHI

[illegible]

[illegible] LIABILITY OF [illegible]

[illegible] (.) [illegible]

[illegible] (.) [illegible]

[illegible] (.) PAYMENT [illegible]

[illegible]

[illegible]

[illegible]

[illegible]

(Sd.)
(D.K. [illegible]),
Secretary to Gov. [illegible],
P.W.D. & Irrigation Dept.

[illegible] in confirmation is forwarded to:-

1) Shri Amrit Dharma,
Joint Secretary to the Govt. of India,
Ministry of Home Affairs,
NEW DELHI.

2) Shri Bahl, I.C.S.,
Joint Secretary to the Govt. of India,
Ministry of Food & Agriculture,
NEW DELHI.

(Sd.)

(D.K. SRINIVASACHAR),
Secretary to Gov. [illegible],
P.W.D. & Irrigation Dept.

Copy to:-

Shri Kapadia, I.C.S.,
Secretary to Government,
Industries Dept., BOMBAY.

(D.K.SRINIVASACHAR),

(33)

EXPRESS TELEGRAM

SHRI HARI SHARMA
JOINT SECRETARY
MINISTRY OF HOME AFFAIRS / Shri Bahl Joint Secretary Ministry of Industry & Power
NEW DELHI

for copies to Mr Kapadia, Secretary Industries Govt. of Bombay

REFERENCE DISCUSSIONS HELD AT BOMBAY FIFTEENTH TO EIGHTEENTH FEBRUARY ABOUT ALLOCATION OF ASSETS AND LIABILITIES OF BOMBAY ELECTRICITY BOARD STOP GOVERNMENTS OF BOMBAY AND MYSORE ARE AGREED THAT DATE OF TRANSFER MAY BE FIRST APRIL STOP OTHER CONCLUSIONS REACHED AT THE CONFERENCE ~~ARE~~ UNDER CONSIDERATION STOP ~~EXEXMMAEKX~~ PRESUME NOTIFICATION BY GOVERNMENT OF INDIA CAN ISSUE DISSOLVING BOMBAY ELECTRICITY BOARD FROM FIRST APRIL

PUBLIC WORKS SECRETARY

Not to be telegraphed

Secy, P.W.

AND TELEGRAPHS DEPARTMENT

SECRETARY TO GOVERNMENT
Date 13
PUBLIC WORKS & ELEC. DEPT

No.

Office Stamp 27 3.57

M. Sent at H. M.

To

By

NEW DELHI 26 STE 75

BLIC WORKS SECRETARY GOVT OF MYSORE BANGALORE

UR TELEGRAM DATED TWENTYFIFTH MARCH (.) AS BOTH BOMBA
AND MYSORE GOVTS AGREED ON DISSOLUTION OF BOMBAY
ELECTRICITY BOARD FROM FIRST APRIL IT IS PROPOSED TO ISSUE
NOTIFICATION TO THAT EFFECT (.) ANY DELAY IN RATIFICATIO

MGIPAh—2215—8-5-56—1,60,000 Bks.

351

DIAN POSTS AND TELEGRAPHS DEPARTMENT

No.

H. M. Sent at H. M.

Office Stamp

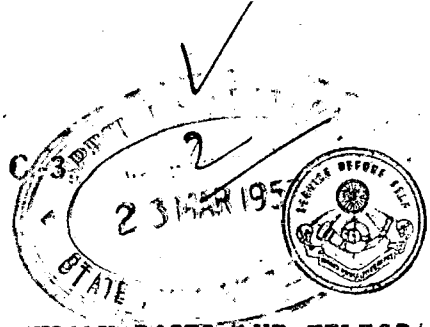
MS-TP

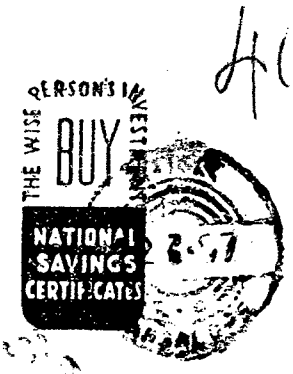
By

LD.....

CONCLUSIONS REACHED AT BOMBAY CONFERENCE AND SETTLING RESIDUARY MATTERS WILL CREATE DIFFICULTIES (.) WOULD THEREFORE ADVISE VERY EARLY RATIFICATION BY BOTH GOVTS - HARI SHARMA HOME --

TPAh—9315—8.8.58—140 000 Pds.





INDIAN POSTS AND TELEGRAPHS DEPARTMENT

No.

Received here at.....H.....M.

== X SK BOMBAY 22 STE 43 BALASUBRAMANYAM STATES
REORGANISATION DEPARTMENT BANGALORE =

NO SRA 1057-K REFERENCE AGARWALS DEMIOFFICIAL LETTER
SR/EIC 1056-I 23RD JANUARY REGARDING DIVISION OF ASSETS
AND LIABILITIES OF ELECTRICITY BOARDS C.) BOMBAY GOVERNMENT
AGREES WITH ALL POINTS C.) PLEASE WIRE YOUR CONSENT ===

== INDCOOP BOMBAY =

The sequence of entries at the beginning of this telegram is—class of telegram, time handed in serial number (in the case of foreign telegrams only), office of origin, date, service instruction (if any) and number of words.

This form must accompany any enquiry respecting this telegram.

CPW Ms-21—19-1-56—15,500 Books

The Secretary to the Government of Bombay,
Industries and Co-operation Department,
Old Secretariat Building,
Fort, BOMBAY-1.

Sir,

Subject:-Reconstitution of and principles for the division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

16/4

With reference to your letter No. SRA.1057-K dated the 26th March 1957 on the above subject, I am directed to state that the Government of Mysore agree to the transfer to this State, the assets and liabilities of the Bombay Electricity Board in so far as they pertain to the areas that have merged in Mysore State, with effect from 1st April 1957. They also ratify the conclusions reached at the Conference of the representatives of the Governments of Bombay, Mysore and Madhya Pradesh held at Bombay from the 15th to the 17th of February 1957, except that relating to the question of the sharing of the revenue deficit. This Government, after careful consideration are of the view that the losses or the revenue deficits accruing in respect of the installation in the Bombay-Karanatak area after the Electricity Board of Bombay came into existence shoul be shared between the Board and the State of Mys in the ratio of the capital assets in the two ar This basis was, as the Government of Bombay are aware, put forward by the representatives of the Government of Mysore but not accepted in the cou of the discussions. The Government of Mysore fe that since the Electricity Board of Bombay was

ıd of the Electricity
ɔards of Bombay and
ıdhyaɱ Pradesh

p.t.o....

functioning under the Electricity (Supply) Act as a single entity and was in the normal course required to prepare its accounts and statements with reference to its transactions in the entire area over which it had jurisdiction, it would not be correct in principle to ~~move out the~~ make allocation of total losses ~~after taking into account the particular schemes~~ losses arising from particular schemes ~~to the party taking over those schemes.~~

2. I am to express the hope that the Govt. of Bombay will kindly see their way to accepting the basis proposed by this Govt. and communicate such acceptance as early as possible.

Yours faithfully,

Sd/-

SECY., ~~xRxWxBx~~ Elecl. Dept.

Memo No. PWD. 8 SEB57

Dated Bangalore the 7th April 1957.

Copy of the above is forwarded to the Secretary to the Govt. of India, Ministry of Irrigation & Power, for information with reference to the telegram dated the 28th February 1957.

By Order,

Sd/-

Secy. to Govt.
Elecl. Dept.

Memo No. PWD. 8 SEB 57

Copies of the above are forwarded to the Chief Engineer, Electricity, for information and necessary further action

By Order,

Secy. to Govt.,
Elecl. Dept.

GOVERNMENT OF MYSORE.

No. PWD 8 SCB 57

Mysore Government Secretariat,

Bangalore, dated 17th April *1957.*

NOTIFICATION

From

The Secretary to the Government of Mysore,
Electrical Department.

To

The Secretary to the Government of Bombay,
Industries and Co-operation Department,
Old Secretariat Building,
Fort, BOMBAY-1.

Sir,

Sub: Reconstitution of and principles for the division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

With reference to your letter No.SRA.1057-K dated the 26th March 1957 on the above subject, I am directed to state that the Government of Mysore agree to the transfer as to this State of the assets and liabilities of the Bombay Electricity Board in so far as they pertain to the areas that have merged in Mysore State, with effect from 1st April 1957. They also ratify the conclusions - reached at the Conference of the representatives of the Governments of Bombay, Mysore and Madhya Pradesh and of the Electricity Boards of Bombay and Madhya Pradesh held at Bombay from the 15th to the 17th February 1957, except that relating to the question of the sharing of the revenue deficit. This Government, after careful consideration, are of the view that the losses or the revenue deficits accruing in respect of the installation in the Bombay-Karnatak area after the Electricity Board of Bombay came into existence should be shared between the Board and the State of Mysore in the ratio of the capital assets in the two areas. This basis was, as the Government of - Bombay are aware, put forward by the representatives of the Government of Mysore but not accepted in the course of the discussions. The Government of Mysore feel that since the Electricity Board of Bombay

Contd.

was functioning under the Electricity (Supply) Act as a single entity and was in the normal course required to prepare its accounts and statements with reference to its transactions in the entire area over which it had jurisdiction, it would not be correct in principle to allocate total losses on the basis of losses arising from particular schemes.

2. I am to express the hope that the Government of Bombay will kindly see their way to accepting the basis proposed by this Government and communicate such acceptance as early as possible.

Yours faithfully,

(Sd)

(D.K. Srinivasachar)
SECRETARY TO GOVERNMENT.
ELECTRICAL DEPARTMENT.

Memo No.PWD 8 SLB 57

Dated, Bangalore, the 17th April 1957.

Copy of the above is forwarded to the Secretary to the Government of India, Ministry of Irrigation & Power, New Delhi, for information with reference to the telegram dated the 28th February 1957.

By Order,
(Sd)

(D.K. Srinivasachar)
SECRETARY TO GOVERNMENT.
ELECTRICAL DEPARTMENT.

Memo No.PWD 8 SLB 57

Dated, Bangalore, the 17th April 1957.

Copy of the above is forwarded to the Chief Engineer, Electricity, Government of Mysore, Bangalore, for information and necessary further action.

By Order,

16/4/57

(B. Siddappa.)
For Secretary to Government.
Electrical Department.

PWD 866 B 57

(40)

STATE TELEGRAM EXPRESS.

22 MAR 57

TC

MUSHRAM
GENERAL ADMINISTRATION (INTEGRATION) DEPARTMENT,
BHOPAL.

BALASUBRAMANYAM
STATES REORGANISATION DEPARTMENT
BANGALORE.

KISHEN PURI
CHIEF SECRETARY,
JAIPUR.

RC.SRA 1057-K;- REFERENCE AGARWAL'S DEMIOFFICIAL LETTER SR/EIC 1056-I 23RD JANUARY REGARDING DIVISION OF ASSETS AND LIABILITIES OF ELECTRICITY BOARDS (.) BOMBAY GOVERNMENT AGREES WITH ALL POINTS (.) PLEASE WIRE YOUR EARLIEST CONSENT.

INDCOOP
BOMBAY.

Sd.S. S. Shukre,
Officer on Special Duty (Electricity).

Industries & Cooperation Department,
Old Secretariat Building, Fort,
Bombay No.1, 22nd March 1957.

No. SRA 1057-K,
Industries and Cooperation Department,
Old Secretariat Building, Fort,
Bombay No.1, 22nd March 1957.

Copy by post in confirmation.

Officer on Special Duty (Electricity).

Copy to the Political and Services Department
(States Reorganisation Section).

Submitted for perusal. Where is the original
This is post-copy
Telegram ?

MGK.22/3.

Verified from the Secy's personal cle

2370/SRD Diary and found that the original Telegram has been forwarded to this Secy to PWD. for needful action on 25-3-57. Hence this may also be sent in continuation. Rly to P. W. Branch.

30/3

Vom 30/3.

1 30/3 A.S. SRD

HD. 2320

A.S. PWD.

Returned to SRD. only marked some to ID

MYSORE GOVERNMENT SECRETARIAT
NO. (E.S.) 9
- 9 APR 1957
PUBLIC WORKS BRANCH

SECRETARY TO GOVERNMENT
Dept. E(4)57

SECRETARIAT
1588
11 APR 1957
ELECTRICAL BRANCH

B 11/4

Sr VO 11/4

PWD 8 SBB57

Telephone No. 2110
Telegraphic Address: 'COMED'
No. .....
Enclo.

GOVERNMENT OF MYSORE
ELECTRICAL DEPARTMENT

Office of the Chief Electrical Engineer
Post Bag No. 15
Bangalore-1, ... April 19 57
(MYSORE, S. INDIA)

The Secretary to Government,
Electrical Department,
Bangalore.

S i r,

Sub:- Settlement of liabilities in respect of contracts and supplies committed by the Bombay Electricity Board on account of transfer of the Electricity systems in North Kanara-

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I am forwarding herewith a copy of letter No. D.O.SP-G-28/16862 dated 4-4-1957 of the Chief Engineer, Bombay Electricity Board and my reply for kind information of Government. Ratification if necessary, will be obtained in such of the individual major cases involving any complication.

Yours faithfully,

(J.L. D'Sa)
Chief Engineer, Electricity.

Copy of D.O.letter No.SP-G-28/16862 dated 4-4-1957 from Sri. Vaidya, Chief Engineer, Bombay Electricity Board, Mercantile Bank Bldg., Fort, Bombay-1, to Sri. D.L. D'sa, Chief Engineer, Electricity, Government of Mysore, Bangalore.

Now that the Karnatak portion of the Bombay Electricity Board has been transferred to your Department it is necessary to arrive at a procedure for quick disposal of outstanding bills of payment for supply of services either rendered or contracted. For this purpose I am attaching herewith a list of outstanding orders and contracts for which bills will have to be paid either by the Bombay State Electricity Board on behalf of your Department or by you.

You will see that several materials have been ordered and for which the terms of payment are 90% against the Railway Receipt and the balance on receipt of goods in satisfactory condition either immediately or after a certain time interval. Orders have been placed by this office and the despatch instructions provide that the materials should be sent to the field either at Hubli or to one of the diesel power stations or substations in Karnatak areas. All bills will therefore be preferred against us either for 90% payment against R.R. or for the balance of payments. As it is important that payment should not get into arrears nor the supplies be interrupted, we are proposing to make 90% payment against R.R.to your account in cases where the supply has already been made or about to be made and this amount will be transferred as part of the loan to Bombay Karnatak works of the Board.

In respect of other orders where the supplies are not likely to be made in the immediate future, the suppliers will be informed to forward all documents including the R/R to your Executive Engineer at Hubli. Until such intimations are sent to the concerned suppliers, if any R/Rs or bills are received by this office, the above procedure will be followed in respect of payment of 90% of the bills. In some of the cases of the above nature, if any supplier forwards the R/R direct to the field officer instead of submitting the same to this office, a certificate of receipt of R/R may be forwarded to this office immediately on receipt of same by the concerned consignee to enable us make the 90% payment as per terms of the contract.

As regards the balance payment of 10%, if the materials have been received at site prior to 1-4-57 and the same have been taken in stock and the necessary S.R.(Stores Receipt) notes as per this Board's procedure prepared and sent to us; the balance payment will be made by us and debited to your account. In respect of materials not covered by the above, the bills for balance payment will be forwarded to your Executive Engineer at Hubli for further disposal as per the terms of contract.

In respect of works contracts, it is proposed that those bills which have been finalised by the Divisional Office at Hubli on or before 31-3-1957 and which are under audit at our Head Office in Bombay will be paid by us and security deposits returned by us if any as per terms.

In case of those bills where due to some disputed items or extra claims, some deductions or additions are required to be made in the final bills, we will make partial payments and forward complete case dockets to your Executive Engineer at Hubli, to clear these disputed items at a later stage if found necessary.

A statement showing the positions of various supply orders and works contract, final bills security deposits etc. is enclosed herewith.

P.T.O

44)

herewith.

I trust the above procedure will be acceptable to you and I shall be glad if you will kindly confirm it as early as possible say within 2 or 3 days. I tried to contract you on telephone today but it appears that you are away on tour to Dandeli-Karwar areas.

With kind regards,

Chief Engineer, Electricity

Telegrams: "GOMED"

Sri. G. CHANDRA, M.S.E.E., B.Sc., (Hons) A.M.I.E.E.,
Chief Electrical Engineer

Telephone No. {Office : 2416
{Residence : 2790

OFFICE OF THE
CHIEF ELECTRICAL ENGINEER
TO THE GOVT. OF MYSORE,
Bangalore-1, (S. INDIA)

45

D.O. No. 114-5

Bangalore-1, ... April ... 1957.

Dear Sri Vaidya,

BILLS FOR SUPPLIES

With reference to your letter No. SP-G-28/16862 dated 4-4-1957, I write to state as follows:-

1. In respect of orders placed prior to 31-3-1957, but supplies not made till 1-4-1957, the firms may supply the materials as per terms of the order and send the bills to the Executive Engineer, Hubli, for arranging payment. This will dispose of items 2, 3, 6, 7, 8, 14, 16, 17, 18, 19, 20, 25, 26, 27, 28, 29, 31, 33, 34, 35, 36, 38, 39, 40, 42, 47, 52, 54, 55, 56, 57 and 58 of the statement enclosed to your letter.

2. Part supply made and 90% bills paid for the same - (5, 11, 15, 30, 32, 43, 50 and 51) payment may be made by you and the full particulars of amount of order, amout paid, and list of materials due, may be furnished in triplicate (one copy each for Chief Accounts Officer, Chief Engineer, Electricity, and Hubli Divisional office), for necessary verification and adjustment against loans.

3. In respect of part supplies made and bills not being received, the suppliers' bills when received may be forwarded to the Executive Engineer, Hubli, for arranging payment. This will dispose of items 1, 10, 44, 45, 46, 48, 49 and 53.

4. Regarding Supplemental bill under consideration:-

After the decision is taken, the payment may be made to the supply order and debit passed on to the Executive Engineer, Hubli for arranging payment.

5. Regarding bills paid by you after 1-4-1957 in respect of goods supplied before 31-3-1957. The debit advice along

P.T.O

along with the vouchers may be sent to the Executive Engineer along with a bill for being re-imbursed. This will dispose of items 4 - 9, 10, 13, 21, 22, 23, 24, 37 and 41.

6. It is presumed that copies of all these purchase orders have been sent to the Divisional Engineer at Hubli. In all these cases, certified copies of the orders may kindly be prepared in duplicate and handed over to our Accounts Officer who has come over there together with details of bills passed noted on the orders in case of those in which any payments are already made. However, there need be no apprehension of any delays in payment, as all payments will be arranged to be made quickly.

Hope this meets with your concurrence.

Yours sincerely,

Sd/- J.L. D'Sa.

Sri V.R. Vaidya, B.E.,(Mech) D.I.I.Sc.(Elec.)
M.I.E.,M.Am.,I.E.E.
Chief Engineer,
Bombay Electricity Board, Mercantile Bank Bldgs.,
Fort, B O M B A Y-1

" COPY "

Chief Engineer, Electricity

PWD & SEB 57

47)

D.O.No. SRA 1057-K,
Industries and Cooperation Department,
Old Secretariat Building, Fort,
Bombay No.1, 10th April 1957.

MYSORE GOVT. 1661 13 APR

The Government of India are considering the issuing of a statutory order under Section 106(3) of the States Reorganisation Act, 1956, in respect of the contractual liabilities of the Boards and the legal proceedings by or against them. It will, therefore, be appreciated if a suitable draft, showing the divisions of contractual liabilities of the Bombay and Madhya Pradesh Electricity Boards together with the legal proceedings by or against them is drawn up by the Board to enable Government of India to issue necessary order. The draft may be sent directly to us as well as to the Madhya Pradesh and Mysore Governments so as to enable thos Governments to offer their comments thereon.

SPECIAL SECRETARY 13 APR 1957 STATE REORGANISATION DEPT.

13/4

for perusal

13/4

Seg PWD]

Yours

Sd./-

(J. D. KAPADIA)

Shri M. H. Hasham Premji,
Chairman,
Bombay State Electricity Board,
BOMBAY.

MYSORE GOVERNMENT SECRETARIAT Secy 16 APR 1957 (ES) PUBLIC WORKS BRANCH MGK. 10/4

16/4/57

No. SRA 1057-K,
Industries and Cooperation Department,
Old Secretariat Building, Fort,
Bombay No.1, 10th April 1957.

Copy forwarded with compliments to:-

The Secretary to the Government of Madhya Pradesh, Electricity Department, Bhopal;

The Special Secretary to the Government of Mysor States Reorganisation Department, Bangalore

with a request to offer their comments to this Governmen direct on receipt of a draft from the Bombay State Electricity Board.

Sd/-

16/4

10/4

MGK. 10/4.

Officer on Special Duty (Electricity).

GOVERNMENT OF MYSORE

Mysore Government Secretaria

No.PWD & SEB 57 Dated Bangalore the 24th April 1957

From

The Secretary to the Government of Mysore,
Electrical Department, Bangalore.

To

The Chairman,
Bombay Electricity Board,
Bombay

Sir,

I am directed to invite reference to D.O. No. SRA.1057-K dated the 10th April 1957 from the Government of Bombay, Industries and Co-operation Department and to request you kindly to forward the draft referred to therein for comments of this Government.

Yours faithfully,

23/4

(B.Siddappa)
For Secretary to Government
Electrical Department

mab.2)

Sec 188/57

Confidential

PWD 8 SEB 57 49

No.SCR-131/II/C-198
Bombay State Electricity Board,
Mercantile Bank Building, Fort,
Bombay 1: 4th. ~~April~~ May, 1957.

MYSORE GOVERNMENT SECRETARIAT
7 - MAY 1957
2076
ELECTRICAL BRANCH.

To

The Secretary to the Government of Mysore,
Electrical Department,
Bangalore.

Subject : Statutory Order under Section 106(3) of the States Reorganisation Act, 1956.

SECRETARY TO GOVERNMENT
ES
No. 64-57-57
MYSORE IRON & STEEL WORKS LTD.

Sir,

cfp 2.

With reference to your letter No.PWD 8 SEB 57 dated 24th April 1957 addressed to the Chairman, Bombay Electricity Board, I am directed to state that in reply to D.O.letter No.SRA.1057-K dated 10th April, 1957, from the Secretary to the Government of Bombay, Industries & Cooperation Department, he was informed that there was no necessity for issue of any orders as provided under Section 106(3) of the States Reorganisation Act. The position in our view is as under :-

Sub-section (3) provides for dissolution of the Board on such date earlier than 1st November 1957 "as the Central Government may by order appoint". On such dissolution, (a) its assets and liabilities in the case of the Saurashtra Board pass to the State of Bombay and (b) in the case of Madhya Pradesh and Bombay Boards, "the assets and liabilities are to be apportioned in a manner to be agreed between the successor states within one year from the date of dissolution". If there is no agreement, the Central Government is to decide the apportionment. According to sub-section (4), if the Government of the successor State has constituted a Board for the reorganised state, the assets and liabilities automatically pass on to the Board instead of to the Government of the successor State, as provided under clause (b). It is true that according to clause (a) of sub section (4), provision could be made by order

D.N. 2076

of the Central Government enabling the New Board to take over from the existing Board all or any of its undertakings, assets and liabilities in that State." Such an order was, if at all, needed on or before 1st April 1957 which was the date appointed by the Central Government for dissolution of the existing Boards. Now, that stage is passed and the formality of handing over and taking over of the assets and liabilities of the Bombay, Madhya Pradesh and Saurashtra Boards having been completed and mutually acknowledged between the Boards and/or State Governments concerned, the provisions of clause (a) of sub-section (4) and any action contemplated under the said clause, would be infructuous and needless. In accordance with the provisions of clauses (a) and (b) of sub-section (4), the assets and liabilities of the former Boards already stand passed to the Government of the successor State or the New Board as the case may be, without the necessity of any specific order. No orders indicating the division of assets and liabilities between the successor Governments or the new Board are needed at this stage, as the Act provides one year for such apportic ment and the Central Government's assistance is to be invoked only if the successor Governments or the new Board, as the case may be, fail to reach an agreement. Nor is there any need for such an order to be issued for clarification with regard to contractural liabilities and legal proceedings as the assets and liabilities normally cover contractual liabilities and the legal proceedings emanating therefrom.

In view of the above Government were requested to

prevail ...

prevail on the Government of India not to issue any order under Section 106(a) as contemplated as no such orders were indeed necessary.

Yours faithfully,

Secretary,
Bombay State Electricity Board.

p/-30.4.'57.

PWD 8 SEB 57 (1)

Telegrams: "GOMED"
J. L. D'Sa, B.E., B.Sc.,(Hons),
Sri ~~C.CHANDY~~ A.M.I.E.E.,
Chief ~~Electrical~~ Engineer, Electricity.

Telephone No. { Office : 2416
Residence : 2790

OFFICE OF THE
CHIEF ELECTRICAL ENGINEER
TO THE GOVT. OF MYSORE,
Bangalore-1, (S. INDIA)

ES
Date. 2-4-57

D.O. No. 715

Bangalore-1, 29th May 1957.

MYSORE GOVERNMENT SECRETARIAT
2654
30 MAY 1957
ELECTRICAL BRANCH.

Dear Sri Srinivasachar,

Undertaking of the assets and liabilities of the Bombay Electricity Board in Bombay Karnatak area of Mysore.

I write to invite kind reference to your D.O. letter No.PWD 8 SEB 57 dated 30-3-57 stating that Government have approved of the transfer of assets and liabilities of the Bombay Electricity Board in Bombay Karnataka area of Mysore. Accordingly the system has been taken over by the Department from 1-4-57 as reported in this office letter No.1005 dated 4-4-57. However I feel a formal notification of Government for the undertaking effective from 1-4-1957 by this Department will serve the public as it is reported that some questions pending disposal are dependent on this formal notification of Government.

C.F.P.22.

C.F.P24.

PJ 30/5

The Government of India Ministry of Irrigation and Power Notification No.EL 11 307/(7)/56 dated 28-3-57 communicated in Memo No.PWD 85/EB 57 dated 11-4-1957 is for cessation of function of the State Electricity Board of Bombay from ~~1-11-1956~~ 1st Day of APRIL 1957. The undertaking of the management of the system by the successor state envisaged in sub section 3(b) of section 106 of S.R. Act 1956 (51 of 1957) should be specified by the concerned successor state. It is also found that publicity given in papers does not reveal the true facts. Extract of Deccan Herald and my letter to the Editor is also enclosed for kind information.

not received

Yours sincerely,

JLD 28/5

Sri D. K. Srinivasachar, B.Sc(Hons), IAS,
Secretary to Government,
Electrical Department,
Bangalore.

Draft of a letter to the GOI are putup for approval.
7/6

3

GOVERNMENT OF MYSORE

No PWD 8 SEB 57.

Mysore Government Secretariat,
VIDHANA SOUDHA,

Dated, Bangalore, 3rd June ~~May~~ ....195 7.

FROM

The *Secretary to the Government of Mysore,*
Electrical Department

To

The Chief Engineer, Electricity,
Government of Mysore, Bangalore.

Sir,

Subject: 'Undertaking of the assets and liabilities of the Bombay Electricity Board in Bombay Karnatak area of Mysore.

- - -

With reference to your D.O. letter No.715, dated he 29th May 1957 on the above subject, I am directed to tate that the Extract of Deccan Herald and your letter to the ditor said to have been closed for information have not been eceived and to therefore request you kindly to forward the ame.

Yours faithfully,

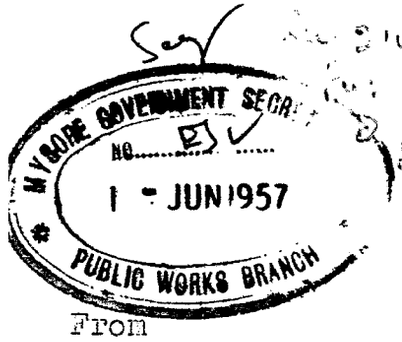
(B. Siddappa)
For Secretary to Government
Electrical Department.

ab.2)

1542

PWD 8 SEB 57

54



No. SL-II-307(7)
GOVERNMENT OF INDIA
MINISTRY OF IRRIGATION & POWER
::::::::

From

Shri N.S.Vasant
Officer on Special Duty.

To

The Secretary to the Govt. of Mysore,
Electrical Department,
Mysore Government Secretariat,
Bangalore.

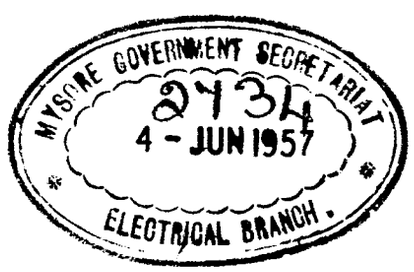
NEW DELHI, the 30th May, 1957.

SUBJECT:- Reconstitution of and principles for the division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.
::::::::

Sir,

I am directed to refer to your endorsement No. CF.P.39. PWD 8 SEB 57, dated the 17th April 1957 on the above subject and to request that this Ministry may kindly be informed of further developments in the matter.

Yours faithfully,



(N.S.Vasant)
Officer on Special Duty.

P/29/5

2654

PWD & SEB 57

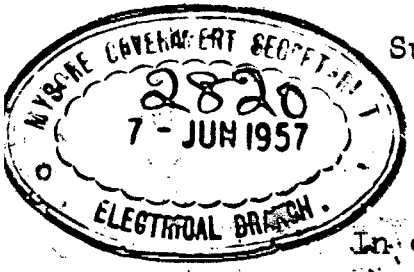
Telegrams: "GOMED"
Sri P.C. Reddy, B.A.,B.E.,
DEPUTY CHIEF ELECTRICAL ENGINEER.

Telephone No. {Office : 2778
Residence : 2998

Office of the
Chief Electrical Engineer to the
Government of Mysore

D.O. No. 793
Encl: one

Bangalore-1.....4.....June....*195* 7.



Dear Sir,

Sub:- Undertaking of the Assets and Liabilities of the Bombay Electricity Board in Bombay Karnataka area of Mysore.

In continuation of D.O.letter No.715 dated 29-5-57 in the matter of issue of a formal Government Order for having undertaken the above from 1-4-57, I am forwarding herewith a copy of Accountant-General's letter No. ECA/G7/41 dated 31-5-57 for kind information and early communication of orders.

Yours sincerely,

Reddy 4/6

Sri D.K.Srinivasachar,
I.A.S.,
Secretary to Government,
Electrical Department,
Bangalore.

Copy of letter No.ECA/G7/41 dated 31st May 1957 from the Accountant-General, Mysore, Bangalore, to the Chief Engineer, Electricity, Bangalore.

Sub:- Taking over the Jog-Karnataka Electric Grid Scheme, Dharwar Power House etc.

With reference to the above I write to state that it is learnt that the Dharwar Division has come under the control of the Chief Engineer, Electricity Bangalore, with effect from 1-4-57. But relevant order in this behalf has not been received in this office. I, therefore, request you to arrange kindly to forward a copy of relevant orders on the subject for reference. This may be treated as most urgent.

4/6

Dy. Chief Engineer, Electricity

2631

PWD 8 SEB 57

57

Telephone No. 2110
Telegraphic Address: "GOMED"
No 19415
Encl. Two

MYSORE GOVERNMENT SECRETARIAT
2921
13 JUN 1957
ELECTRICAL BRANCH

GOVERNMENT OF MYSORE
ELECTRICAL DEPARTMENT

Office of the Chief Engineer, Electricity
Post Bag No. 15
Bangalore-1 8 June 1957.
(MYSORE, S. INDIA)

SECRETARIAT
Date 14/6/57
PUBLIC WORKS & ELEC BRANCH

The Secretary to Government,
Electrical Department,
Bangalore.

Sir,

GOVERNMENT SECRETARIAT
No. EL 16
10 JUN 1957
PUBLIC WORKS BRANCH

Sub:- Undertaking of the assets and liabilities of the Bombay Electricity Board in Bombay Karnataka area of Mysore.

With reference to letter No.PWD-8-SEB-57 dated 3-6-1957, I am forwarding herewith a copy of this office letter No. 1023 dated 4-4-1957 and the extract of News item of 'Deccan Herald'.

Yours faithfully,

Chief Engineer, Electricity

DECCAN HERALD

Wednesday, April 3, 1957

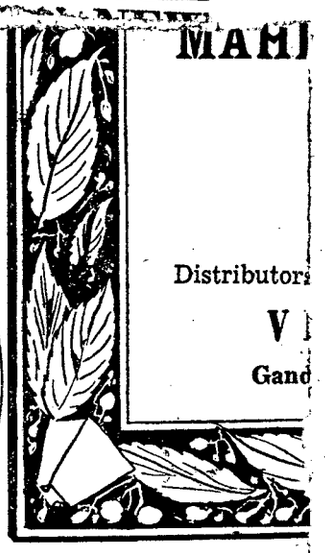
ministration (B
Mr. S. Nijalingappa, Chief Minister, will inaugurate the Institute at Room No. 249, Vidhana Soudha. 9 a.m.

Govt. Takes Over Power Supply In Karnataka

BANGALORE, April 1.

The Government of Mysore took over the management of the administration of the distribution of electric power in the four districts of the former Bombay State —Belgaum, Dharwar, Bijapur and North Kanara—with effect from April 1, 1957.

Thus far the distribution of electric power was in the hands of the private sector. The Government of the old Mysore State was supplying power to parts of Hubli from the Mahatma Gandhi Hydel Works.



Copy of letter No.1023 dated 4th April 1957 from the Chief Engineer, Electricity, Bangalore, to the Editor, Deccan Herald, Mahatma Gandhi Road, Bangalore.

I write to invite a kind reference to news column published on page 3 of your esteemed paper of 3-4-1957 on "Government taking over power supply in Karnataka".

As all the systems in the four districts were already brought under our control except those Electrical Systems hitherto controlled by the Bombay Electricity Board, this has been handed over to this department with effect from 1st April 1957.

The Private Licensees operating in the 4 districts of North Kanara will still be operating until the State through an Act thinks it proper to take over all those undertakings by due process of acquisition similar to Mangalore Electric Supply Company acquired by the Madras Government just prior to States Reorganisation and transferred to this department.

If you feel that it is desirable to correct the news already published in the light of the foregoing, you may please issue a correction.

---

for Chief Engineer, Electricity

PWD & SEB 57

D.O. No. EL.II-307(7)

59

R.R. Bahl, ICS.
Joint Secretary.

GOVERNMENT OF INDIA.
MINISTRY OF IRRIGATION AND POWER.

New Delhi, May 24, 1957

MYSORE GOVERNMENT SECRETARIAT
262
30 MAY 1957
2651
ELECTRICAL BRANCH

My dear Kapadia,

I am writing with reference to my D.O. letter No. EL.II-307(7)/56, dated the 6th April, 1957, concerning the order to be issued by the Central Government in regard to the distribution of the contractual liabilities of the dissolved Madhya Pradesh and Bombay State Electricity Boards. I shall be grateful if a suitable draft of the aforementioned order is sent to us at an early date, in consultation with the Governments of Madhya Pradesh and Mysore.

Yours sincerely,

sd:

Shri D. Kapadia, ICS,
Secretary to the Govt. of Bombay,
Industries and Cooperation Department,
Bombay.

Copy to:

(1) Shri P.D.Chatterji, IAS, Secretary to the Govt. of Madhya Pradesh, Electricity Department, Bhopal.
(2) Shri D.K. Srinivasachar, IAS, Secy. to the Govt. of Mysore, Electricity Deptt., Bangalore.

) For information and favour of necessary action.

(R.R. Bahl)
Joint Secretary to the Govt.of India.

Serial No.

The main file on the subject bearing D. No. 2076 has been submitted to the Deputy Secretary on 20/5/57.

2) Debasey Proceedings 30/5

3/30/5 3) This file has been sent to secy, P.W.D. on 21-5-57.

3) Venkatesan where is the file Book 30/5

—Contn. Sheet

60)

File No. of 195

Mysore Government
Secretariat

Serial No.

5) Submitted to Secretary

2/11/6

WD-05450-GPB—P. Z. S.—90,000—21-9-

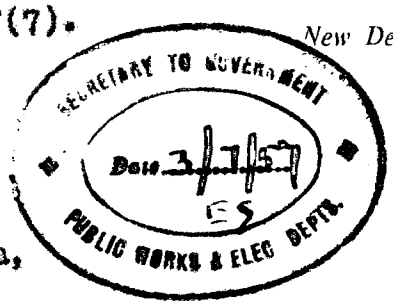
61

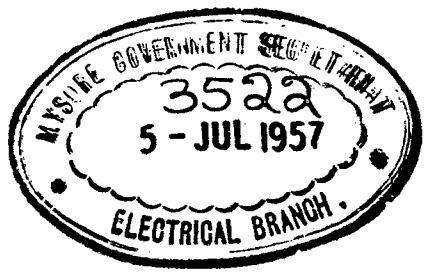
सत्यमेव जयते

R.R. Bahl, ICS.
Joint Secretary.
D.O.No.EL-II-307(7).

GOVERNMENT OF INDIA.
MINISTRY OF IRRIGATION AND POWER.

New Delhi, June 29, 1957.





My dear Kapadia,

Please refer to my D.O. letters No. EL-II-307(7), dated the 6th April, 1957 and the 24th May, 1957 concerning the order to be issued by the Central Government in regard to the distribution of the contractual liabilities of the dissolved Madhya Pradesh and Bombay State Electricity Boards. I shall be grateful if the necessary draft order is supplied to us at an early date.

Yours sincerely,

Shri D. Kapadia, I.C.S.,
Secretary to the Govt. of Bombay,
Industries & Cooperation Department,
Bombay.

Copy to:

1. Shri P.D.Chatterji, I.A.S., Secretary to the Govt. of Madhya Pradesh, Electricity Deptt., Bhopal.
2. Shri D.K.Srinivasachar, IAS, Secy. to the Govt. of Mysore, Electricity Department, Bangalore.

) For information and favour of necessary action.

(R.R. Bahl)
Joint Secy. to the Govt. of India.

62/

GOVERNMENT OF MYSORE

No. PWD8SEB57.

Mysore Government Secretariat,
VIDHANA SOUDHA,

Dated, Bangalore, 24th July 1957

FROM

The *Secretary to the Government of Mysore,*
Electrical Department

To The Chief Engineer, Electricity,
Government of Mysore, Bangalore.

Sir,

Subject: Undertaking of the assets and liabilities of the Bombay Electricity Board in Bombay Karnatak area of Mysore.

- - -

With reference to correspondence ending with your D.O. letter No.715 dated the 29th May 1957 on the above subject, I am directed to invite reference to the Notification No.EL.II.307(7)/56 dated the 28th March 1957 of the Government of India, Ministryof Irrigation and Power a copy of which was forwarded with this office Memo No. PWD8SEB57, dated the 11th April 1957 and to state that in view of the above notification no separate notification is necessary.

Yours faithfully,

(B.Siddappa)
Under Secretary to Government
Electrical Department

mab.2)

PWD 8 SEB 57 63)

No. EL.II-307(7)/56
GOVERNMENT OF INDIA
MINISTRY OF IRRIGATION & POWER.

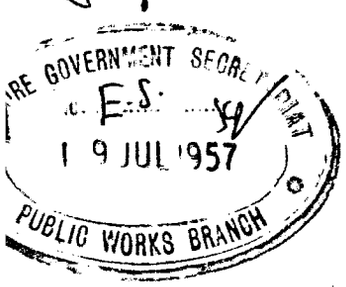
New Delhi, the 16th July, 1957.
17

From

N.S. Vasant,
Officer on Special Duty.

To

Secy



Secretary to the Govt. of Mysore,
Electrical Department,
Mysore Government Secretariat,
BANGALORE.

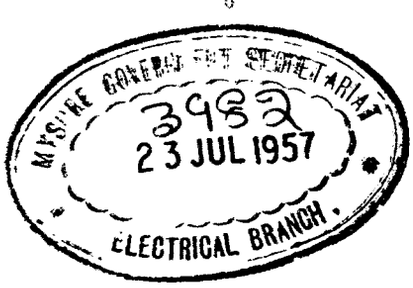
Subject:- Reconstitution of and principles for the division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

Sir,

19/7/57 CFP.38. I am directed to refer to your endorsement No.PWD 8 SEB 57, dated the 17th April, 1957, and our letter of even number dated the 30th May, 1957, on the above subject, and to request that this Ministry may kindly be informed of further developments in the matter.

CFP.54.

Yours faithfully,



(N.S. Vasant)
Officer on Special Duty.

3982/DS-218 PWD 8 SEB 57 64

R.R. Bahl, ICS.
Joint Secretary.

GOVERNMENT OF INDIA.
MINISTRY OF IRRIGATION AND POWER.

D.O.No.EL.III-307(7). New Delhi, August 31, 1957.

SECRETARY TO GOVERNMENT Date 3/9/57 ES

My dear Srinivasachar,

Please refer to the Govt. of Mysore endorsement No. PWD.8.SEB.57, dated the 17th April, 1957, and this Ministry's letters No. EL-II-307(7), dated the 30th May, 1957 and the 16/17th July, 1957, concerning the decision of assets and liabilities of the dissolved Madhya Pradesh and Bombay State Electricity Boards. I shall be grateful if further developments in the matter could be intimated to us.

Yours sincerely,

Shri D.K. Srinivasachar, IAS,
Secretary to the Govt. of Mysore,
Electricity Department,
Bangalore.

4979 & 4980.

The main file on the subject bearing D.O.No. 3982 has been moved to Deputy Secretary on 2/9/57.

MYS: GOVERNMENT SECRETARIAT 4779 4 - SEP 1957 ELECTRICAL BRANCH.

R.R. Bahl, ICS.
Joint Secretary.

GOVERNMENT OF INDIA.
MINISTRY OF IRRIGATION AND POWER.

D.O. EL-III-307(7). New Delhi, August 31, 1957.

SECRETARIAT
Dated 3/9/57
E.J

My dear Kapadia,

Please refer to my d.o. letters No. EL-II-307(7), dated the 6th April, 1957, the 24th May, 1957 and the 29th June, 1957 concerning the order to be issued by the Central Government in regard to the distribution of the contractual liabilities of the dissolved Madhya Pradesh and Bombay State Electricity Boards. I shall be grateful if the necessary draft order is supplied to us at an early date.

Yours sincerely,

sd:

Shri D. Kapadia, ICS,
Secretary to the Govt. of Bombay,
Industries & Cooperation Department,
Bombay.

Copy to: 1) Shri P.D. Chatterji, IAS, Secy. to the Govt. of Madhya Pradesh, Electricity Department, Bhopal.) For information and necessary action.

2) Shri D.K. Srinivasachar, IAS, Secy. to the Govt. of Mysore, Electricity Department, Bangalore.) For information and necessary action.

MYSORE GOVERNMENT SECRETARIAT
4980
4 - SEP 1957
ELECTRICAL BRANCH.

(R.R. Bahl)
Joint Secretary.

D.K.Srinivasachar, I.A.S.
Secretary to Government,
P.W. & Electrical Dept.

MYSORE GOVERNMENT SECRETARIAT
Dated Bangalore 6th September '57

D.O. No. PWD 8 SEB 57

Dear Shri.Bahl,

Kindly refer to your D.O.No.EL.III-307(7) of 31st August 1957. Although we wrote to the Government of Bombay as long ago as 17th April we have not yet Heard from them. I shall let you know as soon as I hear from the Secretary, Public Works Department, Bombay Government.

Yours sincerely,

DKS

Shri.R.R.Bahl, I.C.S.
Joint Secretary to the
Government of India,
Ministry of Irrigation & Power,
NEW DELHI

M. G. S. App. F. G. 3]

MYSORE GOVERNMENT

SECRETARIAT.

(Continuation sheet draft form).

Two Drafts

I Draft

C&P. 38

258—GPB—PZS-1,20,000—1-7-55.

67)

Subject :- Reconstitution of and principles for the Division of assets & liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board

To

The Secretary to the Govt of Bombay, Industries & Co-operation Dept, Old Secretariat Buildings, Fort, Bombay-1

Sir,

I am directed to invite reference to this Govt's letter No PWD. 8SEB57 dt 17/4/1957 on the above subject, and to request you kindly to intimate whether the suggestions of this Govt. made therein have been

accepted by you.

Yours faithfully,

Secretary to Govt
Med. Dept.
3/2/18

PB 3/18

GOVERNMENT OF MYSORE

No. PWD 8 SEB 57

Mysore Government Secretariat,
VIDHANA SOUDHA,

Dated, Bangalore, 27th Sept... 1957.

FROM

The *Secretary to the Government of Mysore,*
Electrical Department.

To

The Secretary to the Government of Bombay,
Industries and Co-operation Department,
Old Secretariat Building,
Fort, Bombay-1.

Sir,

ub: Reconstitution of and principles for the Division of assets and liabilities of the Bombay - Electricity Board and the - Madhya Pradesh Electricity Board.

I am directed to invite reference to this Government's letter No.PWD 8 SEB 57 dated the 17th April 1957 on the above subject, and to request you kindly to intimate whether the suggestions of this Government made therein have been accepted by you.

Yours faithfully,

(B. Siddappa.)
For Secretary to Government.
Electrical Department.

vbk/2.

Issue 2519

PWD 8 SEB 57

70)

Very Urgent.

No.SRA.1057/133675-K.
Industries and Co-operation Department.
Old Secretariat Building,
Bombay-1,

09 OCT 1957

From

The Special Officer,
Industries and Co-operation Department.

PS/15/10

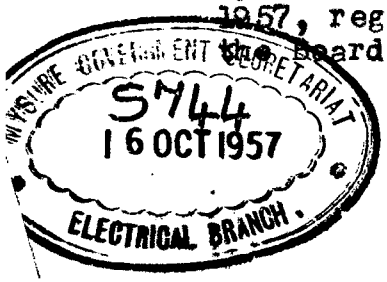
To

The Secretary,
Bombay State Electricity Board,
Bombay.

Subject:-Reconstitution of and principles for the Division of asets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

Sir,

I am directed to invite reference to Government Endorsement, No.SRA.1057-K,dated 15th May 1957,on the subject mentioned above and to state that under paragraph 2 thereof the Board has been requested to offer its remarks on the suggestion made by the Mysore Government in its letter No.PWD.8 SEB-57, dated 17th April 1957, regarding allocation of revenue expenditure.The remarks of the Board have not been received so far.I am therefore to request you



you to kindly expedite your reply.

Yours faithfully,

Special Officer,
Industries and Co-operation Department.

Copy forwarded with compliments to the Secretary to Government of Mysore, Electrical Department, Vidhan Soudha, Mysore, with reference to his letter No.SWD.8[illegible] SEB-57, dated 25th September 1957.

CFP 69.

C.9/10

No.SRA.1057/138199-K.
Industries and Co-operation Department.
Old Secretariat Building,
Bombay-1, 6 NOV 1957

From

Shri C.B.Patel,
Special Officer,
Industries and Co-operation Department.

To

The Secretary to the Government of Mysore,
Electrical Department,
"Vidhana Saudh" Bangalore.

Subject:-Reconstitution of and principles for the Division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

I am directed to refer to the correspondence ending with your letter No.PWD.SSEB-57,dated 25th September 1957,on the subject mentioned above and to state that according to the minutes of the Interstate Conference the revenue deficit prior to the formation of the Bombay Electricity Board (i.e., upto 6th November 1954)go entirely to the Bombay State Electricity Board.The Bombay State Electricity Board had agreed to bear this loss entirely on the condition that the Mysore Government will agree to the compromise formula of bearing losses after 6th November 1954 as provided in the minutes of the said Conference. Now that Mysore Government desires that the revenue deficit after 6th November 1954 should be devided

divided in proportion to the assets, this Government has no objection to accept the Mysore Government's proposal, ~~provided Mysore Government's proposal,~~ provided Mysore Government agrees to bear the deficit in proportion to their assets even before the formation of the Bombay Electricity Board. This may please be confirmed.

Yours faithfully,

Special Officer,
Industries and Co-operation Department.

GOVERNMENT OF MYSORE

Mysore Government Secretariat,
No.PWD8SEB57. Dated Bangalore the 23rd November 1957.
From Copy of letter

The Secretary to Government of Mysore,
Electrical Department.

To

The Secretary,
Mysore State Electricity Board,
Bangalore.

Sir,

Subject: Reconstitution of and principles for the Division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

- - -

I am directed to invite reference to this office Memo No.PWD8SEB57, dated the 17th April 1957 forwarding a copy of letter addressed to the Secretary to the Government of Bombay, Industries and Co-operation Department, Bombay and to forward herewith a copy of letter No.SRA.1057/138199-K, dated the 1st November 1957 received from the Special Officer, Industries and Co-operation Department, Bombay and to ~~therefore~~ request you kindly to offer your considered remarks on the above.

Yours faithfully,

24/11/57

(B.Siddappa)
For Secretary to Government
Electrical Department.

mab.2)

Letter No.SRA.1057/138199-K, dated the 1st November 1957 from the Special Officer, Industries and Co-opemation Department Old Secretariat Building, Bombay 1 to the Secretary to the Government of Mysore, Electrical Department, Bangalore.

Subject: Reconstitution of and principles for the Division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

I am directed to refer to the correspondence ending with your letter No.PWD8SEB57 dated 25th September 1957 on the subject mentioned above and to state that according to the minutes of the Interstate Conference the revenue deficit prior to the formation of the Bombay Electricity Board (i.e. upto 6th November 1954) go entirely to the Bombay State Electricity Board. The Bombay State Electricity Board had agreed to bear this loss entirely on the condition that the Mysore Government will agree to the compromise formula of bearing losses after 6th November 1954 as provided in the minutes of the said Conference. Now that Mysore Government desires that the revenue deficit after 6th November 1954 should be divided in proportion to the assets, this Government has no objection to accept the Mysore Government's proposal provided Mysore Government agrees to bear the deficit in proportion to their assets even before the formationof the Bombay Electricity Board. This may please be confirmed.

"C O P Y"

24/11/57

For Secretary to Government
Electrical Department.

mab.2)

Immediate

GOVERNMENT OF MYSORE

76)

No. PWD 8 SEB 57.

Mysore Government Secretariat,
VIDHANA SOUDHA,

Dated, Bangalore 12th FEBRUARY 1958.

FROM

Secretary to the Government of Mysore,
Electrical Department.

The Secretary,
Mysore State Electricity Board,
Bangalore.

Subject: Reconstitution of and principles for the Division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board.

I am directed to invite your reference to letter No. PWD8SEB57 dated 23rd November 1957 on the above subject and to request you kindly to offer your considered remarks, as called for therein immediately, as a reply has to go to the Bombay Govt. ~~Electricity Board~~.

Yours faithfully,

11/2

(M.N. ViswanathaSetty),
for SECRETARY TO GOVERNMENT,
Public Works & Electrical Department.

hps-12)

PWD 38 SE 57

D.C.No.EL-III-307(7)

77

GOVERNMENT OF INDIA.
MINISTRY OF IRRIGATION AND POWER.

R.R. Bahl, I.C.S.,
Joint Secretary.

New Delhi, the 12th February, 1958.

My dear Srinivasachar,

EL-P-34

Please refer to my D.O. letter No. EL-III-307(7), dated the 31st August, 1957, concerning the decision of assets and liabilities of the dissolved Madhya Pradesh and Bombay State Electricity Boards. I shall be grateful if further developments in the matter could be intimated to us.

per
At what
stage?

Yours sincerely,

Shri D.K. Srinivasachar, I.A.S.,
Secretary to the Govt. of Mysore,
Electricity Department,
Bangalore.

MYSORE GOVERNMENT SECRETARIAT
17 FEB 1958
ELECTRICAL BRANCH.

PWD

MYSORE STATE ELECTRICITY BOARD

78

MYSORE GOVERNMENT SECRETARIAT
31 65
17 MAR 1958
ELECTRICAL BRANCH.

POST BAG NO.
BANGALORE - 1

No. MSEB/ 4416.

Dated 12 MAR 1958

FROM

The Secretary,
Mysore State Electricity Board.

To

The Secretary to Government,
Electrical Department,
BANGALORE.

Sir,

MYSORE GOVERNMENT SECRETARIAT
NO. ...
14 MAR 1958
PUBLIC WORKS BRANCH

Sub: Reconstitution of and principles for the Division of assets and liabilities of the Bombay Electricity Board and the Madhya Pradesh Electricity Board:

Sus 1 26/2

With reference to your letter No.PWD 8 SEB dated 12.2.1958, I write to state that information regarding the capital outlay incurred year-wise on the various Electricity Schemes of the Bombay State has been called for from the Bombay Electricity Board. As soon as a reply is received, the matter will be placed before the Board and opinion furnished.

Yours faithfully,

(P.Mariappa)
SECRETARY.

the Secretary, M[illegible]
has replied that he is
awaiting some information
from the Bombay
Electricity Board.
The file has been put
up separately.

Speak to
Mr 31/3.

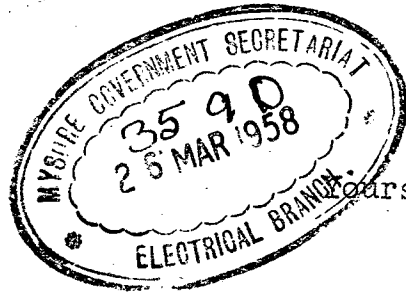
GOVERNMENT OF INDIA.
MINISTRY OF IRRIGATION & POWER.

R.R. Bahl, ICS.,
JOINT SECRETARY.

No.EL-III-307(7)
New Delhi, the 21st March, 1958.

My dear Srinivasachar,

CF.64. Please refer to my D.O. letter No.EL-III-307(7), dated the 31st August, 1957, and subsequent reminder of even number dated the 12th February, 1958, concerning the decision of assets and liabilities of the dissolved Madhya Pradesh and Bombay State Electricity Boards. I shall be grateful if further developments in this matter could be intimated to us.



Yours sincerely,

Shri D.K. Srinivasachar, IAS.,
Secretary to the Government of Mysore,
Electricity Department,
BANGALORE.

MYSORE GOVERNMENT SECRETARIAT
NO.
7 APR 1958
PUBLIC WORKS BRANCH

801

No.SRA-1058/98536-Elec.
Industries and Cooperation Department.
Old Secretariat Building,
Bombay-1,
7 APR 1958

From

Shri M. Habibuddin, I.A.S.,
Deputy Secretary to the Government of Bombay,
Industries and Cooperation Department.

To

The Joint Secretary to the Government of India,
Ministry of Irrigation and Power,
New Delhi.

Subject:-Contractual liabilities of the dissolved Bombay, Madhya Pradesh and Saurashtra Electricity Boards.

Sir,

I am directed to refer to the correspondence ending with Shri R.R. Bahl's demi-official letter No. EL-111-307(7), dated 21st March 1958, on the subject mentioned above and to forward herewith a draft on the subject for the consideration of the Government of India. The draft has been scrutinised by the Local officers of this Government.

2. I am also to forward herewith a copy of letter No. SCR-131/II/51026, dated 8th November 1957 from the Secretary, Bombay State Electricity Board, on the subject. The merits of the letter have been taken into consideration by this Government while preparing the draft. However Government of India may also please examine the validity of the Board's stand before issuing the order in question.

3. It is presumed that Government of India, will consult the other State Governments concerned with the draft order before it is issued. A copy of the draft order is being sent to the Governments of Madhya Pradesh and Mysore with a request to send ~~this~~ remarks to you direct.

MYSORE GOVERNMENT SECRETARIAT
4136
10 APR 1958
ELECTRICAL BRANCH

Yours faithfully,

M. Habibuddin 31/3

Deputy Secretary to the Government of Bombay
Industries and Cooperation Department.

D.A.- Copies of draft order and letter.

Copy with a copy of the draft order forwarded with compliments to -

the Deputy Secretary to Government, of Madhya Prades Electricity Department, Bhopal, (with reference to his letter No. 560-197/XIII, dated 21st February 1958),

✓the Secretary to Government of Mysore, Electricity Department, Banglore,

the Political and Services Department for informati

2. The Governments of Madhya Pradesh and Mysore are requested to send their remarks to the Government of India, direct.

C.31/3

O R D E R.

Government of India,
Ministry of Irrigation and Power,
New Delhi.

States Reorganisation Act,1956.

- In exercise of the powers conferred by section 128 of the States Reorganisation Act,1956 (37 of 1956),the President hereby makes the following Order, namely :-

1. (1) This Order may be called the States Reorganisation (Removal of Difficulties) Order No. of 1957.

*to be filled in.

(2) It shall come into force at once.

2.In this Order,unless the context otherwise requires,-

(a)"Abu area" means the Abu Road taluka of Banaskantha District transferred from the former State of Bombay to the new State of Rajasthan;

(b)"appointed day" means the 1st day of April 1957;

(c)"Bombay State Electricity Board" means the Bombay StateElectricity Board" constituted by the Government of Bombay by Government Notification in the Industries and Cooperation Department No. SHA. 1057-K,dated the 31st January 1957;

(d)"Karnatak area" means the districts of Bijapur, Dharwar and Kanara and Belgaum District, except Chandgad taluka transferred from the former State of Bombay to the new State of Mysore;

(e)"Madhya Pradesh area" means the whole of the area comprised in the pre-Reorganisation State of Madhya Pradesh, except the area transferred to the new State of Bombay;

(f)"pre-Reorganisation Electricity Board of Bombay", "pre-Reorganisation Electricity Board of Saurashtra" and "pre-Reorganisation Electricity Board of Madhya Pradesh" mean respectively,the State Electricity Board constitute for the pre-Reorganisation State of Bombay,the pre-Reorganisation State of Saurashtra and the pre-Reorganisation State of Madhya Pradesh and

dissolved by the Government of India, Ministry of Irrigation and Power, Notification No. EL.II-307(7)/56, dated the 28th March 1957.

(3) Where, before the appointed day, the pre-Reorganisation Electricity Board of Bombay or the pre-Reorganisation Electricity Board of Saurashtra or the pre-Reorganisation Electricity Board of Madhya Pradesh has made any contract, that contract shall be deemed to have been made -

(a) if the purposes of the contract are, as from the appointed day, exclusively relatable to the Karnatak area, by the Government of Mysore;

(b) if the purposes of the contract are, as from the appointed day, exclusively relatable to the Abu area, by the Government of Rajasthan;

(c) if the purposes of the contract are, as from the appointed day, exclusively relatable to the Madhya Pradesh area, by the Government of Madhya Pradesh;

(d) in any other case, by the Bombay State Electricity Board; and

and all rights and liabilities which have accrued or may accrue, under any such contract shall, to the extent to which they would have been rights or liabilities of the pre-Reorganisation Electricity Board of Bombay, the pre-Reorganisation Electricity Board of Saurashtra or the pre-Reorganisation Electricity Board of Madhya Pradesh, the rights and liabilites of the Government of Mysore, the Government of Rajasthan, the Government of Madhya Pradesh or, as the case may be, the Bombay State Electricity Board.

4. Where immediately before the appointed day --

(i) the pre-Reorganisation Electricity Board of Bombay is a party to any legal proceedings with respect to any property, rights or liabilities transferred to the State of Mysore or the State of Rajasthan, the State of Mysore or the State of Rajasthan, as the case may be, shall be deemed to be substituted for the pre-Reorganisation Electricity

Electricity Board of Bombay as a party to those proceedings or,as the case may be , added as a party thereto,and the proceedin may continue accordingly;

(ii)the pre-Reorganisation Electricity Board of Bombay or the pre-Reorganisation Electricity Board of Saurashtra is a party to any legal proceedings with respect to any property,righ or liability transferred to the Bombay State Electricity Board and not falling in clause(i the Bombay State Electricity Board shall be substituted for the pre-Reorganisation Electr city Board of Bombay or, as the case may be, the pre-Reorganisation Electricity Board of Saurashtra, as a party to those proceedings and the proceedings may continue accordingly;

(iii) the pre-Reorganisation Electricity Board of Madhya Pradesh is a party to any legal proceed ings with respect to any property rights or liabilities ~~w~~ transferred to the State of Madhya Pradesh or the Bombay State Electricit Board, the State of Madhya Pradesh or, as the case may be, the Bombay State Electricity Board shall be deemed to be substituted for t pre-Reorganisation Electricity Board of Madhy Pradesh as a party to those proceedings or, a the case may be added as a party thereto,and proceedings may continue accordingly.

RAJENDRA PRASAD
PRESIDENT.

Dated

Appendix F. G.—1]

SUBJECT Contractual liabilities of the dissolved Bombay, Madhya Pradesh & Saurashtra Electricity Boards.

Immediate.

Diary No. of letter replied to .....

Section Elec.

File No. PWD 48 SEF

Serial No. 57

Mysore Government Secretariat.

( )

the *195* .

No.

To

The Secretary,
M.S.E.B.,
Bloc.

Date of issue.....

Signed by.....

Sir,

With reference to your letter No. MSEB/4416 dt. 12/3/58 on the subject, I am directed to forward herewith a copy of letter No. SRA 1058/98536-Elec. dt. 7/4/58 & its enclosures received from the Govt. of Bombay & to

List of enclosures .....

Copied by.....

Examined by .....

B/Cr

Request you kindly to oppose the
Comments of M.S.E.B. immediately
& thus faithfully,

Under Secretary to Govt.,
Elec. Dept.
26/4

GOVERNMENT OF MYSORE **IMMEDIATE**

No. PWD 28 SEB 57.

Mysore Government Secretariat,
VIDHANA SOUDHA,

Dated, Bangalore, 1st May ~~April~~ *195* 8

Vaishaka 11 Saka Era 1880

FROM
The Under *Secretary to the Government of Mysore,*
Electrical Department.

To

The Secretary,
Mysore State Electricity Board,
Bangalore.

Sir,

Subject: Contractual liabilities of the dissolved Bombay, Madhya Pradesh, and Saurashtra Electricity Boards.

With reference to your letter No.MSEB/4416, dated the 12th March 1958 on the subject, I am directed to forward herewith a copy of letter No.SRA.1058/98536, Elecl. dated the 7th April 1958 and its enclosures received from the Government of Bombay and to request you kindly to offer the comments of the Mysore State Electricity Board, immediately.

Yours faithfully,

30/4

(M.N.Viswanatha Setty)
Under Secretary to Government
Electrical Department.

mab.2)

Letter No.SRA.1058/98536-Elec. dated the 7th April 1958 from the Deputy Secretary to the Government of Bombay, Industries and Co-operation Department to the Joint Secretary to the Government of India, Ministry of Irrigation and Power New Delhi,

------:0:----

Subject: Contractual liabilities of the dissolved Bombay, Madhya Pradesh and Saurashtra Electricity Boards.

I am directed to refer to the correspondence ending with Shri R.R.Bahl's demi-official letter No.EL-111-307(7), dated 21st March 1958 on the subject mentioned above and to forward herewitha draft on the subject for the consideration of the Government of India, The draft has been scrutinised by the Local officers of this Government.$

2 . I am also to forward herewith a copy of letter No. SCR.131/II/51026, dated 8th November 1957 from the Secretary, Bombay State Electricity Board, on the subject. The merits of the letter have been taken into consideration by this Government while preparing the draft. However Government of India may also please examine the validity of the Board's stand before issuing the order in question.

3. It is presumed that Government of India, will consult the other State Governments concerned with the draft order before it is issued. A copy of the draft order is being sent to the Governments of Madhya Pradesh and Mysore with a request to send their remarks to you direct.

"C O P Y"

Under Secretary to Government
Electrical Department.

mab.2)

O R D E R

Government of India
Ministry of Irrigation and Power,
New Delhi.

States Reorganisation Act 1956

No. - In exercise of the powers conferred by section 128 of the States Reorganisation Act, 1956 (37 of 1956), the President hereby makes the following Order, namely:-

1.(1) This Order may be called the States Reorganisation (Removal of Difficulties) Order No. * of 1957.

*to be filled in.

(2) It shall come into force at once.

2. In this Order, unless the context otherwise requires, -

(a) "Abu area" means the Abu Road taluka of Banasakantha District transferred from the former State of Bombay to the new State of Rajasthan;

(b) "appointed day" means the 1st day of April 1957;

(c) "Bombay State Electricity Board" means the Bombay State Electricity Board" constituted by the Government of Bombay by Government Notification in the Industries and Cooperation Department No. SHA.1057-K, dated the 31st January 1957;

(d) "Karnatak area" means the districts of Bijapur, Dharwar and Kanara and Belgaum District except Chandgad taluka transferred from the former State of Bombay to the new State of Mysore;

(d) "Madhya Pradesh area" mans the whole of the area comprised in the pre-Reorganisati State of Madhya Pradesh, except the area transferred to the new State of Bombay;

(f) "pre-Reorganisation Electricity Board of Bombay" "pre-Reorganisation Electricity Board of Saurashtra" and "pre-Reorganisation Electricity Board of Madhya Pradesh" mean respectively, the State Electricity Board constitute for the pre-Reorganisation State of Bombay, the pre-Reorganisation State of Saurashtra and pre-organisation State of Madhya Pradesh and dissolved by the Government of India, Ministry of Irrigation and Power, Notification No.EL.II-308(7)/56, dated the 28th March 1957.

3. Where, before the appointed day, the pre-Reorganisation Electricity Board of Bombay or the pre-Reorganisation Electricity Board of Saurashtra or the pre-Reorganisation Electricity Board of Madhya Pradesh has made any contract, that contract shall be deemed to have been made -

(a) if the purpose of the contract are, as from the appointed day, exclusively relatable to the Karnatak area, by the Government of Mysore;

(b) if the purposes of the contract are, as from the appointed day, exclusively relatable to the Abu area, by the Government of Rajasthan;

(c) if the purposes of the contract are, as from the appointed day, exclusively reltable to the Madhya Pradesh area, by the Government of Madhya Pradesh;

(d) in any other case, by the Bombay State Electricity Board; and

all rights and liabilities which have accrued or may accrue, under any such contract shall, to the extent to which they would have been rights or liabilities of the pre-Reorganisation Electricity Board of Bombay, the pre-Reorganisation Electricity Board of Saurashtra or the pre-Reorganisation Electricity

Board of Madhya Pradesh, be rights and liabilities of the Government of Mysore, the Government of Rajasthan, the Government of Madhya Pradesh or, as the case may be, the Bombay State Electricity Board.

4. Where immediately before the appointed day -

(i) the pre-Reorganisation Electricity Board of Bombay is a party to any legal proceedings with respect to any property, rights or liabilities transferred to the State of Mysore or the State of Rajasthan, the State of Mysore or the Ste of Rajasthan as the case may be, shall be deemed to be substituted for the pre-Reorganisation Electricity Board of Bombay as a party to those proceedings or, as the case may be, added as a party thereto, and the proceedings may continue accordingly;

(ii) the pre-Reorganisation Electricity Board of Bombay or the pre-Reorganisation Electricity Board of Saurashtra is a party to any legal proceedings with respect to any property, right or liability transferred to the Bombay State Electricity Board and not falling in clause (i), the Bombay State Electricity Board shall be substituted for the pre-Reorganisation Electricity Board of Bombay or, as the case may be, the pre-Reorganisation Electricity Board of Saurashtra, as the party to those proceedings & the proceedings may continue accordingly;

(iii) the pre-Reorganisation Electricity Board of Madhya Pradesh is a party to any legal proceedings with respect to any property right or liabilities transferred to the State of

Madhya Pradesh or the Bombay State Electricity Board, the State of Madhya Pradesh or, as the case may be, the Bombay State Electricity Board shall be deemed to be substituted for the pre-Reorganisation Electricity Board of Madhya Pradesh as a party to those proceedings or, as the case may be added as a party thereto, and the proceedings may continue accordingly.

RAJENDRA PRASAD
PRESIDENT.

Dated

"C o p y"

Under Secretary to Government
Electrical Department.

mab.2)

MYSORE STATE ELECTRICITY BOARD

No. MSEB/ A5-4/57-58

Post Bag No. 24

Enclo:

BANGALORE - 1

Dated 11th July 1958

From

The Secretary,

Mysore State Electricity Board.

To

The Secretary to Government,
Electrical Department,
Bangalore

Sir,

SUB: Reconstitution of and principles for the Division of assets and liabilities of Bombay Electricity Board and the Madhya Pradesh Electricity Board

With reference to your letter No.PWD 8 SEB 57 dated 23rd November 1957, I am directed to request you kindly to obtain and forward if there is no objection, extracts from the minutes of the Interstate Conference referred to by the Special Officer, Industries & Co-operation Department, Bombay in his letter No.SRA/1057/138199-K dated 1st November 1957 to you, for facilitating a decision in this behalf.

Yours faithfully,

(P. MARIAPPA)
SECRETARY

MYSORE STATE ELECTRICITY BOARD

9.

MYSORE SECRETARIAT NO. 13 AUG 1958 PUBLIC WORKS BRANCH

No. MSEB/ A5-1167/58-59

Enclo:

Post Bag No. 24
BANGALORE - 1

Dated 13 AUG 1958

From

The Secretary,
Mysore State Electricity Board.

To

The Secretary to the Government of Mysore,
Electrical Department,
Bangalore.

MYSORE GOVERNMENT SECRETARIAT 10825 18 AUG 1958 ELECTRICAL BRANCH

Sir,

Sub: Contractual liabilities of the dissolved Bombay, Madhya Pradesh and Sourastra Electricity Boards.

--

C.F.B. 86.

With reference to your letter No.PWD 28 SEB 57 dated 1st May 1958, I am directed to state that according to Section 111 of the States Reorganisation Act, where any Corporation is reconstituted or re-organised or amalgamated and in consequence of such reconstitution any workman employed in such body shall not be entitled to any retrenchment compensation provided that the terms and conditions of service applicable to the workman after such transfer or re-employment are not less favourable to the workman than those applicable to him before the transfer or re-employment.

In the case of the employees of the Bombay Electricity Board, the transfer is from a Body Corporate to Mysore Government and the above Section applies only to transfers from one Body Corporate to another Body Corporate. Hence the protection given therein may not apply to them. So also the protection given to the Government Employees in Section 115 of the States Re-organisation Act cannot apply to them as they were not serving any Governments at the time of their transfer.

Excepting the above, the draft of the proposed Notification appears to be in order. I am, therefore, to request you kindly to

P.T.O.

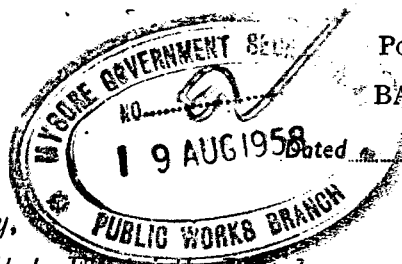
MYSORE STATE ELECTRICITY BOARD

No. MSEB/ A5/4/57-58

Enclo:

Post Bag No.
BANGALORE-1

Dated August, 58.



19 AUG 1958

From

The Secretary,
Mysore State Electricity Board.

To

The Secretary to the Government of Mysore,
Electrical Department,
Bangalore.

Sir,

Sub: Reconstitution of and principles for the division of Assets and Liabilities of Bombay Electricity Board and the Madhya Pradesh Electricity Board.

In inviting kind reference to this office letter of even No. dated 11th July 58, I am directed to request you kindly to forward if there is no objection, extracts from the minutes of the Inter-State Conference.

Yours faithfully,

P. Mariappa

(P. MARIAPPA)
Secretary.

18/8

forday 18/8

Appendix F. G.—1]

96)

SUBJECT Contractual liabilities of the dissolved Bombay, Madhya Pradesh & Saurashtra Electricity Boards.

Diary No. of letter replied to .....

Section Elect

File No. PWD 85

Mysore Government Secretariat.

Serial No. 57

( )

the 195

No.

To

Date of issue.....

The Secretary to the G/o Bombay, Industries & Co-op Dept. Old Secty. Building Bombay 1

Signed by.....

Sir

With reference to your Memo No: SRA-1058 98536-Elec. dt 7/8/58 forwarding a copy of your letter addressed to the G/o I, Ministry of Irrigation & Power, on the above subject, I am directed to state

C.F.P.80

List of enclosures .....

Copied by.....

Examined by .....

WD 01787—GPB—P7S—100,000—10 2-58

7) that the comments of this Govt have been communicated to the G.O.I. ~~under intimation to you~~ vide ~~Govt~~ Dr. 1/10/58 ~~information a Copy of this Govt's letter No. PWD 24 SEB 58 dated 1st October 1958 addressed to the G.O.I. Ministry of Irrigation Power, in the matter~~ Flag A

Yours faithfully,

Sd/-

Under Secretary to Govt

Blue Light

5/10

GOVERNMENT OF MYSORE

No. PWD 28 SEB 57.

Mysore Government Secretariat,
VIDHANA SOUDHA,

Dated, Bangalore, 20 October *195*
Asvina 28 Saka Era 1880.

FROM

Secretary to the Government of Mysore,
The Under
Public Works and Electrical Departments.

To

The Secretary to the Government of Bombay,
Industries and Co-operation Department,
Old Secretariat Building,
Bombay-1.

Sir,

Subject: Contractual liabilities of the dissolved Bombay, Madhya Pradesh and Saurashtra Electricity Boards.

- - -

With reference to your Memo No.SRA-1058/98536-Elecl. dated the 7th April 1958 forwarding a copy of your letter addressed to the Government of India, Ministry of Irrigation and Power, on the above subject, I am directed to state that the comments of this Government have been communicated to the Government of India on 1st October 1958.

Yours faithfully,

(M.N.Viswanatha Setty)
Under Secretary to Government
P.W. and Electrical Department.

mab.2)